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GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY & MINING

No. GM-5/Expl-15/2001

: Dated Kohima, the 1st March, 2005.

**NOTIFICATION**

In exercise of the powers conferred by Section 17 of the Nagaland (Ownership and Transfer of Land and Its Resources) Act 1990, (Act No, 1 of 1993), the State Government hereby makes the following Rules for regulating the grant of quarry licences, mining leases and other mineral concessions in respect of Minor Minerals and for the purposes connected therewith, namely :-

**CHAPTER - 1**

**PRELIMINARY**

**1. Short title, extent and commencement :-**

- (a) These rules may be called the Nagaland Minor Mineral Concession Rules 2004.
- (b) They shall extend to the whole of the State of Nagaland.
- (c) They shall come into force on the date of their publication in the Nagaland Gazette.

**2. Repeal and Savings :-**

All Rules or executive instructions on the subject enforce within the State of Nagaland including the rules for quarrying or the collection of minor minerals from forest or non-forest areas contained in any Rules of Nagaland immediately before the commencement of these rules are hereby repealed.

Notwithstanding such repeal, any action taken under rules or instructions so repealed shall be deemed to have been taken under the corresponding provisions of these rules.

**3. Definitions :-**

- (1) In these rules, unless the context otherwise requires :-
- (i) “**Act**” means the Nagaland (Ownership and Transfer of Land and its Resources) Act, 1990 (Act No. 1 of 1993)
  - (ii) “**Appellate Authority**” means the Government or any other authority vested with such powers under these rules or any other authority empowered by the Government to perform such functions;
  - (iii) “**Assessee**” means a person holding a mining lease or a short term permit and includes any other person who has excavated, removed or used or is excavating, removing, possessing or using minor mineral or minerals.
  - (iv) “**Assessing Authority**” means any Technical officer of the Department having requisite qualification authorized by the Department of Geology and Mining, Nagaland to act as Assessing authority.
  - (v) “**Assessment Year**” means the yearly period beginning from the date of commencement of the lease;
  - (vi) “**Brick Earth**” means earth used for making bricks, earthen pots and shall include all type of earth used for commercial purpose.
  - (vii) “**Building stone**” means any rock or mineral which is used as building or construction material and includes such minerals as specified in the Schedule-I;
  - (viii) “**Competent Authority**” means the Director, Geology and Mining Department;
  - (ix) “**Dead rent**” means the minimum guaranteed amount of royalty per year payable as per rules of agreement under a mining lease;
  - (x) “**Department**” means the department of Geology and Mining Department Nagaland;
  - (xi) “**Director**” means Director of Geology and Mining Department, Nagaland.
  - (xii) “**Forms**” means forms appended to these rules;
  - (xiii) “**Government**” means the Government of Nagaland.
  - (xiv) “**Mining**” means an activity to extract minor minerals by surface quarrying or by underground methods, by scrapping, digging, picking, boring or by any other

means.

- (xv) **“Mining lease”** means a licence granted under these rules wherein a lessee is required to pay fixed annual mining lease fee exclusive or inclusive of royalty as the case may be;
- (xvi) **“Minor mineral”** means minerals specified in the Schedules of these rules.
- (xvii) **“Quarry Licence”** means a licence granted under these rules wherein a licence is required to pay fixed annual licence fee exclusive or inclusive of royalty, as the case may be.
- (xviii) **“Royalty Collection contract”** means contract for the specified mineral(s) given to collect royalty (with or without permit fees, as the case may be) on the behalf of the Govt. from the quarry licensees or short term permit holders who excavate or do mining operation or minor minerals from the land specified under the contract whereunder the contractor undertakes to pay fixed amount annually to the government.
- (xix) **“Schedule”** means the schedule appended to these rules;
- (xx) **“Short - Term Permit”** means a permit granted under these rules for excavation and removal of a specified quantity of a mineral within a specified period and from a specified area;
- (2) Words and expressions used, but not defined in these rules shall have the meaning assigned to them in the National (Ownership and Transfer of Land and its Resources) Act, 1990 (Act No.1 of 1993)

## CHAPTER - II

### GRANT OF MINING LEASES

#### 4. Restriction on grant and renewal of mining lease :-

- (1) No mining lease shall be granted in respect of such mineral/minerals as Assessing Authority, may notify in this behalf within his jurisdiction without the approval of the Director.
- (2) No mining lease shall be granted to a person who is not a citizen of India unless

prior approval of the Government of Nagaland has been obtained.

- (3) a) No mining lease shall be granted or renewed to person against whom or any member of his/her family or against a firm or which he/she is or was a partner, the dues of the Department are outstanding.
- b) No mining lease shall be granted in favour of a partnership firm or a private limited company unless a no dues certificate of Department is submitted by all parties of the partnership firm or all members of the private limited company as the case may be :

Provided that where an injunction order has been issued by a court of law or any other Competent Authority staying the recovery of such dues, the non payment thereof shall not be treated as disqualifications for the purpose of grant or renewal of any mining lease.

- (4) No mining lease or renewal shall be granted or renewed in respect of lands notified by the Government as reserved for use of the Government or local authorities or for any other public or special purposes.

**5. Application for grant or renewal of mining lease :**

- (1) Every application for grant of mining lease shall be made to the Assessing Authority concerned in form No. 1-A.
- (2) Every application for renewal of mining lease shall be made to the Assessing Authority concerned in Form No. 1-B.
- (3) Every application made under sub-rule (1) and (2) above shall be accompanied by :-
- a). A non refundable fee of Rs.500/-
- b) A plan of the area together with description report connecting one or the corner pillars with a fixed point in the vicinity;
- c) (i) an attested copy of no dues certificate from the Assessing Authority concerned if the applicant holds or has held any mineral concession.

Provided that it shall not be necessary for a public sector company/public undertaking to produce no dues certificate but in case the application is a partnership firm or a private limited company, such certificate shall be furnished by all partners of the partnership firm or all members or the

private limited company, a the case may be;

Provided further that a properly sworn affidavit stating that no dues are outstanding shall suffice subject to the condition that the certificate required as above is furnished within sixty days of the date of application failing which the application shall become invalid.

Provided further also that where any injunction has been issued by the Court or any other Competent Authority staying recovery of any dues, the non-payment thereof shall not be treated as a disqualification for the purpose of granting or renewing the lease :

Provided further also that no dues certificate shall not be required where a person has furnished an affidavit to the satisfaction of the State Government, stating that he does not or did not hold a mining lease or any other type of mineral concession;

- (ii) An affidavit stating that no dues of the Department are outstanding against any member of his family; and
- d) An affidavit giving particulars of mineral-wise areas already held under mining lease by the application or with any person having joint interest or already granted but not yet executed / registered or already applied but not yet granted.

**6. Acknowledgment of application :-** Every application under rule 5 shall be acknowledged in form No.2 on the date of its receipt.

**7. Preferential right of certain persons :-**

- (1) Where two or more persons have applied for a mining lease in respect of the same land, applicant whose application was received on earlier date shall have a preferential right for the grant of the lease over an application whose application was received later;

Provided that the Competent Authority may prefer an application received later from a Government company or Corporation owned by the Government over

any other application received earlier for the same area.

(2) Where such applications are received on the same day the mining lease shall be granted in the following order of priority :-

- i) a Government Company or Corporation owned by the Government;
- ii) unemployed Mining Engineer or Geologist;
- iii) A person who intends to set-up a mineral based industry in the State;
- iv) disabled person;
- v) Sportsman, athlete or player of national repute;
- vi) A cooperative Society;
- vii) other applicant.

Provided that where applications are received from the same category of persons, the Competent Authority after taking into consideration the matters specified below may grant mining lease to such one of the applicants as it may deem fit :-

- (a) Any special knowledge of or experience in mining operations possessed by the applicant;
  - (b) the financial resources of the applicant;
  - (c) the nature and quality of technical staff employed or to be employed by the application;
  - (d) such other matters as may be specified.
- (3) (i) Notwithstanding anything contained in sub-rule (1) and (2) above, all application received within a period of 30 days from the publication of the notification issued under rule 59, for grant of mining lease, for any mineral for an area notified as “free” shall be considered by the competent Authority on the same footing irrespective of date of submission of the application.

(ii) The competent Authority after taking into consideration the matter specified in the provision to sub-rule (2) may grant mining lease to such one of the applicants as it may deem fit.

**8. Disposal of applications for the grants and renewal of the mining lease :-**

- (1) An application for grant of mining lease shall be disposed of by the Competent

Authority.

- (2) An application for renewal of mining lease shall be made atleast 12 month before the expiry of he mining lease and shall be disposed off before the expiry of lease and if the application is not disposed off with in that period the lease shall be deemed to have been extended for a period of six months or till the date of communication of refusal to the lessee whichever is earlier.

**9. Refusal of applications of Mining Lease :-**

The Government of Competent Authority may refuse to grant or renew any mining lease subject to reasons to be recorded and to be communicated to the applicant in writing.

**10. Register of Mining lease applications and Mining leases :-**

- (1) A register of mining lease applications shall be maintained in the office of the Assessing Authority concerned in Form. No. 4
- (2) A register of mining lease applications shall be maintained in the office of the Assessing Authority concerned in From No.4.

**11. Area of Mining Lease :-**

- (1) The mining lease shall be granted for such area as the Government may deem fit. The Director/Assessing Authority may fixed the area for the grant of mining lease for a particular mineral and for a particular area, but it shall not be less than one hectare. This limit shall however, not apply to the gap areas lying between two or more mining leases which are less than the minimum prescribed size;

Provided that where the gap area available free for grant is up to 50% of the prescribed size of the plot and surrounded by the tree or more mining lease or by forest boundary or any other reserved land, such gap areas shall be granted by auction to any one of the surrounding lessees and the same shall be added in his lease;

Provided further that where the gap area is more than 50% of the prescribed size

of plot, a separate mining lease shall be granted by way of open auction;

Provided further that in the case where application for grant of mining lease has been received for an area exceeding the prescribed size and the applicant having been informed by the concerned Assessing Authority to reduce the area but fails to reduce the same within given time, the application may be rejected by the Assessing Authority,

- (2) No person shall acquire in respect of any mineral or prescribed group of associated minerals as prescribed in schedule-III, one or more mining lease covering total area of more than 50 hectares.

Provided that the maximum number of mining lease, to be granted for a particular mineral or for a mineral of associated group under this rule to a person within direct jurisdiction of any Assessing Authority shall be restricted to two and total number of leases in the entire State would not exceed three.

**12. Submission of Mining Plan :-**

Where a mining lease is granted under these rules the lessee shall submit a mining plan to scale, to the Directorate and duly approved by the Director after the same has been scrutinised by the Assessing Authority for the lease area so granted prior to the execution of the lease deed under "Rule 20"

- (1) The Plan of the area showing as accurately as possible the location, boundaries and area of the land in respect of which mining lease has been granted, natural water courses, forest areas, assessment of impact of mining activity on forest, land surface and environment including air and water pollution.
- (2) The plan of the area showing spot or spots where the excavation is to be done in the first year and its extent; a tentative scheme of mining year-wise for the subsequent years of the lease.
- (3) The extent of manual mining or mining by use of machinery and mechanical devices.
- (4) The details of scheme for restoration of the areas by afforestation, land reclamation, use of pollution control devices and such other measures as may be directed by



the Director from time to time.

- (5) Any other matter which the Director may require from the application to provide in the mining plan.

**13. Length and breadth of area under a mining lease :-** As far as possible the area applied under mining lease shall be rectangular in shape, and length shall not exceed four times of its width.

**14. Boundaries below the surface :-** Boundaries of the area covered by a mining lease shall run vertically downwards below the surface towards the centre of the earth.

**15. Security deposits :-**

- (1) The lessee shall be required to deposit sum equal to one-fourth of the annual dead rent as security in cash or any other form of securities which may be notified by the government for the due performance of the terms of the lease agreement. The Certificate shall be pledged with Assessing Authority having jurisdiction over the under lease.
- (2) Whenever the dead rent of a mining lease is enhanced as provisions of these rules, the lessee shall deposit a further sum so as to make the total security deposit equal to one-fourth of the enhanced dead rent within 60 days of such enhancement.

**16. Transfer of Mining Lease :**

- (1) The lessee shall not without the previous consent in writing of the Competent Authority :-
- a). assign, sublet, mortgage or in any other manner transfer the mining lease or any rights title or interest therein, or
- b). enter into or make any arrangement, contract or understanding whereby the lessee will or may be directly or indirectly financed to a substantial extent by, or under which the lessee's operations or undertakings will or may be substantially controlled by any person or body of persons other than lessee;
- (2) Every application for transfer of mining lease shall be accompanied by a fee

Rs.2000/- and shall be submitted to the Assessing Authority.

- (3) Transfer of mining lease not be considered as a matter of right and the Government may refuse for such transfer for the reasons to be recorded and communicated in writing to the lessee.
- (4) Where on an application for transfer of mining lease under this rule, the Competent Authority has given consent for such lease, a transfer lease deed in Form No.15 shall be executed within three months of the date of the consent, or within such period as the competent Authority may allow in this behalf.

**17.    Period of lease :-**

- (1) The maximum period for which a mining lease may be granted shall not exceed 10 years. Provided that the minimum period for which any mining lease may be granted shall not be less than 5 years.
- (2) Notwithstanding anything contained in the instrument of mining lease, the period of lease of existing mining lease at the time of commencement of these rules may also extended to a period falling short of 5 years.

**18.    Renewal of Mining Lease :-**

- (1) On an application being made in this behalf and where such application if found complete in all respects, the Competent Authority shall renew the mining lease for a period not exceeding 10 years and where the Competent Authority satisfied that mines have been worked properly and that substantial investment in machineries and equipments been made by the lessee, the Competent Authority may further grant subsequent renewals each for a period up to 10 Years subject to the condition that total period of the lease shall not exceed 30 Years;.

Provided that second and subsequent renewal of mining lease each for a period up to Year may be granted to a lessee if the authority competent to sanction the renewal is satisfied about the past performance of the applicant.

Provided further that where the lease is so renewed the dead rent shall be revisable

after every five years from the date of renewal;

Provided that the Competent Authority while granting the renewal of mining lease may in its discretion reduce the area of the lease so that the area sanctioned to the lessee shall in no case exceed 50 hectares.

- (2) Where the application for renewal has been received after the period prescribed in rule 8(2), it shall be entertained on the payment of the following penalties :-

<b>Period of delay</b>	<b>Amount of penalty</b>
a) Upto one month	1% of the existing annual dead rent subject to minimum of Rs. 200.00
b) Upto three months	2% of the existing annual dead rent subject to minimum of Rs. 400.00
c) Upto three months	2% of the existing annual dead rent subject to minimum of Rs. 600.00
d) Upto 6 months	10% of the existing annual dead rent subject to minimum of Rs. 1000.00
e) More than 6 months but before expiry of lease	25% of the existing annual dead rent subject to minimum of Rs. 2500.00

- (3) Notwithstanding anything contained in the instrument of the mining lease, if the application for renewal has not been disposed of before the expiry of the lease, it shall be deemed to have been extended for a period of 12 months or till the date of communication of refusal to the lessee whichever is earlier on the condition that the deed rent after expiry or lease period shall be as per the revised dead rent referred to in sub-rule 3 of rule 19.
- (4) (a) In case of renewal of mining lease after the expiry of the lease period, the dead rent from the date of expiry of the previous lease to the date of execution

of the renewed lease deed shall be as per the sanction of renewal.

- (b) In case of revocation of the sanction for renewal on failure of execution of the lease agreement by the lessee, the dead rent as per sanction for the renewal be charged from the date of expiry of the previous lease to the date of taking over possession.
- (5) The Competent Authority may, while granting renewal of a mining lease, impose conditions relating to mechanization, development of mines and establishment of mineral based industry after obtaining prior approval of the Government by general or specific order.

**19.   Conditions :-**

- (1) The following conditions shall be included in every mining lease and if they are not so included shall be deemed to have been included therein :-
  - a). The holder of a mining lease granted before the commencement of these rules, shall notwithstanding anything contained in the instrument of lease or any law or rules in force at such commencement, pay royalty in respect of any mineral removed by him from and/or consumed within the leased area after such commencement at the rates for the time being specified in Schedule-I in respect of that mineral.
  - b). The holder of a mining lease granted on or after the commencement of these rules shall pay royalty in respect of any mineral removed by him from and or consumed within the leased area at the rate for the time being specified in the Schedule-I in respect of that mineral.
  - c). The State Government may, by notification in the Official Gazette amend the Schedule-I so as to enhance the area at which royalty shall be payable in respect of any mineral in accordance with the provisions of these rules with effect from such date as may be specified.

Provided that no enhancement in the rate of royalty shall be made before a period

of 3 years from such previous enhancement.

- (2) (a) The lessee shall pay for surface area used by him in case of Government land for the purpose of mining, surface rent to the Government as per the rates prevalent in the area.
- (b) The Government shall be entitled either to charge certain amount per year or part thereof for the ecological restoration of mines and quarries from the lessee or entrust the said responsibility of reclamation/ecological restoration to the lessee and this shall form part of the agreement. The amount may be fixed and revised by Government from time to time and may vary from place to place.
- (3) (a) The lessee shall also pay for every year such yearly dead rent as may be fixed by the government in quarterly installments in advance for the time being according to the rates specified in Schedule-II, in quarterly installment in advance in case of Government land.
- (b) The State Government may by notification in official Gazette, revise the dead rent from the date of initial grant or renewal of mining lease.

Provided that no such revision in the rate of dead rent shall be made before a period of 5 years from such previous revision. Provided further also that the lessee shall be liable to pay either dead rent or royalty in respect of each mineral whichever is higher by not both.

- (4) The lessee shall pay all dues in the office of such officer, in such manner and at such place as may be mentioned in the lease agreement or as notified by the government from time to time.
- (5) The lessee shall not cut or injure any tree in areas of this lease without the previous sanction in writing of any officer authorized in this behalf under any law in force.
- (6) The lessee shall at his own expense erect and at all time maintain and keep in repair boundary pillars and marks according to the plan and demarcation report annexed to the lease.
- (7) The lessee shall not erect, set-up or place any building or thing and shall also not, carry

on surface operations in or upon any public places, ground public road or other place which the Government may determine as public ground or in such a manner as to injure or prejudicially effect any building works, property or right of other persons.

- (8) (a) The lessee shall commence mining operations within three months from the date of execution of the lease and thereafter carry on such operations effectively in a manner which will ensure safety of labourers, conservation of mineral, removal of sufficient over-burden, careful storage, removal and drainage of waste and removal of all valuable minerals from the mines in accordance with lease.
- (b) The lessee shall dump the over burden/waste of the mine at such place(s) as may be approved by the concerned Assessing Authority.
- (9) (a) The lessee shall keep correct and regular accounts of all minerals excavated from the mines, the quantity laying in stock at the mines and the quantity dispatched and utilized there from as also the number of persons employed in Form No.11 B. It shall contain particulars regarding the quantity of mineral sold/utilized, its value and name of persons, or firms to whom sold. The accounts shall be produced before the Assessing Authority on such date as may be fixed by him on this behalf for the purpose of assessment. The lessee shall maintain up to date plans of the mines and shall also allow any officer of the Department as may be authorized by Director on his behalf to examine such accounts and plans at any time and shall furnish him other information as he may require.
- (b) The lessee shall furnish monthly returns to the Assessing Authority in the form No.11 A by the 15th day of the following month to which the returns relate.

Provided that Assessing Authority may extend the period for submission of such returns by any lessee for a period not exceeding 15 days.

- (c) The lessee or any other person shall not remove or dispatch or utilize the mineral from the mines and quarry without Transport Challan. The Transport Challan shall be in Form No.12 appended to these rules and shall be duly sealed by the

Department.

- (10) The lessee shall abide by all existing by existing Acts and Rules enforced by the State Government and all such other Acts or Rules as may be enforced form time to time in respect of working of the mines and other matters affecting safety, health and convenience of the lessee, employees or of the public.
- (11) The lessee shall allow existing and future licensees or lease holders of any land, which is comprised in or is reached by the land held by the lessee, reasonable facilities access thereto.
- (12) The lessee shall allow any officer of the Department to enter upon the premises comprised in the lease for the purpose of inspecting the same and abide by instruction issued by him from time regarding the conservation and development of minerals and the related matters.
- (13) Subject to the provision of clause (7) above the lessee may erect on the area granted to him, any building required for bonafide purpose and such buildings shall be the property of the Government after the expiry of the lease or earlier determination or surrender of the lease in case of Government land.
- (14) The lessee shall make reasonable satisfaction and pay such compensation as may be assessed by lawful authority in accordance with the law or rules or order in force on the subject for all damage, injuries or disturbances which may be done by time and shall indemnify and keep indemnified fully and completely the Government against such damage, injury or disturbance and all costs and expenses in connection therewith.
- (15) (a) The lessee shall forthwith report to the Director/Assessing Authority any accident which may occur at or in the said premises.  
  
(b) The lessee shall forthwith report to the Assessing Authority the discovery of any mineral not specified in the lease, within thirty days of such discovery and shall not win and dispose of such mineral unless he is permitted to do so by grant of a lease or otherwise.

- (16) If the lessee intends to work such newly discovered mineral or minerals, he shall within three months of making such report as mentioned in clause 15(b), intimate his intention to the officer of the Department having jurisdiction over the area and apply for mining lease in respect thereof in accordance with the rules regulating the grant of mining concessions for that mineral and he shall enjoy preference over other applicants for grant or mineral concession for that/these mineral(s) within his existing lease area. But such mining lease shall not be granted as matter of right.
- (17) If the lessee intimates his intention not to work the newly discovered mineral(s) or fails to report to work the newly discovered mineral(s) within a period of three months from the date of discovery of new mineral, then it shall be open to the Government to grant a lease for the working of the same to any other person, provided such working does not obstruct or interfere with the working of existing lease.
- (18) The lessee may surrender the lease at any time by giving an application in writing to Assessing Authority which shall be accepted with immediate effect provided there are no dues against the lessee in respect of the lease. In case there are dues against the lessee, the surrender of lease shall be accepted after 6 months of the date of notice but where only one quarterly installment of dead rent is due against the lessee and where there are no other breaches of the term of lease, the security of the lease shall be adjusted against dues and surrender shall be accepted with immediate effect.

Provided that where the mineral deposit is not economically workable, the lessee may surrender a part of the lease area with immediate effect by submitting an application to the Assessing Authority which may be accepted by the Competent Authority subject to the following conditions.

- a) The area retained shall be rectangular and contiguous in shape, length being not more than 4 times the width.
  - b) The extent of retained area shall not be less than the minimum prescribed size of the plot fixed for the mineral for the area.
  - c) There shall be no dues against the lessee.
- (19) The lease shall be liable to be cancelled by the Director or Competent Authority if the lessee ceases to work the mine for a continuous period of six months without obtaining



sanction of the Government.

- (20) The Government or Competent Authority shall from time to time and at all times during the term of lease have the right (to be exercised by notice, in writing to the lessee) of presumption of the said minerals (and all products thereof) lying in or upon the said land hereby demised or elsewhere under the control of the lessee and the lessee shall deliver all minerals or products to the Government at current market rates in such quantities and in the manner and at the place specified in the notice exercising the said right.
- (21) (a) In case of any breach on the part of the lessee of any covenant or condition contained in the lease, the Competent Authority may determine the lease and take possession of the said premises and forfeit the security money or in alternative may impose payment of a penalty not exceeding twice the amount of annual dead rent of the lease. Such action shall not be taken unless the lessee has failed to remedy the breach after serving or 15 days notice.
- (b) The Government may also at any time after serving the aforesaid notice enter upon the said premises and distrain all or any of the minerals or movable property therein and may carry away distrain or order the sale of the property so distrained or so much of it as will suffice for the satisfaction of the rent or royalty due and all cost and expenses occasioned by the non-payment thereof.
- 22 (a) As soon as the lease is determined, the lessee shall deliver up the said premises and all mines (if any) dug therein on a proper and workable state (save in respect of any working as to which the Government might have sanctioned abandonment) to the Assessing Authority having jurisdiction over the area or to any person authorized by him.
- (b) The mineral left on expiry of lease period or determination of lease or on surrender of lease shall be removed by the lessee within 15 days of the date of expiry or surrender or receipt of the order or determination of lease.

Provided that if the minerals is not removed with in the aforesaid period of 15 days the mineral shall belong to the date and Assessing Authority of the area may dispose it of either by public auction or by direct sale at the rate prevalent in the adjacent area.

- (23) The Government may by dix month's prior notice in writing determine the lease if the Government considers that the mineral under the lease is required for establishing an industry beneficial to the public.
- (24) For the purpose of carrying out mining operations in accordance with approved practices:-
- (i) Every holder of a mining lease who pays an annual dead rent of or above rupees fifty thousand but below rupees one lac shall employ a whole time Junior Engineer (Mining).
  - (ii) Every holder of a mining lease who pays an annual dead rent of or above rupees one lac shall employ a whole time Mining Engineer.

Provided that a Mining Engineer or Junior Engineer (Mining) employed by the lessee shall respectively posses the following qualifications, namely :-

- a) Mining Engineer :-  
Degree in Mining Engineering from any recognized University or a Diploma in Mining Engineering and Applied Geology from the Indian School of Mines, Dhanbad.
  - b) Junior Engineer (Mining) :-  
Diploma in Mining Engineering from any recognized polytechnic Institute or Degree in Mining Engineering from recognized university.
- (25) The Assessing Authority concerned may, by an order in writing prohibit further mining or quarrying in the leased area, if in his opinion such operation is likely to cause premature collapse or any part or the workings or otherwise endanger the mine or quarry or the safety of persons employed therein, or there is danger as regards to outbreak or there is danger as regards to outbreak of fire or flooding or such operations may cause damage to any property.

- (26) The lessee/lessees shall not work on or allowed to be worked or carried on at any point within a distance of 45 metres from any railway line except with the previous written permission of the Railway Administration concerned, or from any reservoir canal other public works or buildings or inhabited site except with the previous permission of the District Magistrate or any other officer authorized by the Government in this behalf and otherwise than in accordance with such instructions, restrictions and conditions either general or special as may be attached to such permission. The said distance of 45 metres shall be measured in the case of railway, reservoir or canal horizontally from the outer toe of the bank or the outer edge of the cutting as the case may be and in case of building horizontally from the plinth thereof.
- (27) The lessee/lessees shall deliver to or permit to be taken by the representative of the government, a sample or samples of all rocks found on miners or raised there from and all intermediate and finished products sold or intended for sale by the lessee/lessees.
- (28) The lessee/lessees shall abstain from entering upon the surface of any occupied government land or any private land comprised within the leased area without previously obtaining the consent of the occupant in writing.
- (29) The Lessee/Lessees shall inform the Assessing Authority concerned about opening any new quarry or depot in the lease area within 7 days of doing so.
- (30) The Competent Authority may with prior approval of the Government impose such special condition(s) as may deem necessary, in the interest of mineral development.

**19. A Lapsing of Lease :-**

- (1) Subject to the other conditions of this rule where mining operations are not commenced within two years from registration of the lease or discontinued for a continuous period of two years after commencement of such operations, the Government shall, by an order declare the mining lease to lapse and communicate the declaration to the lessee.
- (2) Where a lessee is unable to commence the mining operation within a period of two years from the date of registration of the lease, or discontinues mining operation for a period exceeding two years for reasons beyond his control, he may submit an application

to Assessing Authority explaining reasons of the same at least three months before expiry of such period.

- (3) Every application under sub-rule (2) shall be accompanied by a fee of Rs.500/-
- (4) The Government may on receipt of application made under sub rule (2) and on being satisfied about the adequacy and genuineness of reasons for the non-commencement of mining operations or discontinuance thereof, pass an order before the date on which the lease would have otherwise lapsed, extending or refusing to extend the period of the lease.

Provided that where the Government on receipt of an application under sub rule (2) does not pass an order before the expiry of the date on which the leases would have been extended until the order is passed by the government or until a period of one year, whichever is earlier.

- (5) Every application under sub-rule (2) shall be entered in the register kept for this purpose and a receipt shall be given to the applicant.

**19.   B. Reviving of leases :-**

- (1) Where a lessee is unable to commence the mining operations within a period of two year from the date of registration of the mining lease or discontinues mining operations for a period exceeding two years for reasons beyond his control, he may submit an application tot he Assessing Authority explaining reasons for the same atleast within six months from the date of its lapse.

Provided that the lease shall not be revised under this provision for more than twice during the entire period of lease.

- (2) Every application under sub rule (1) shall be accompanied by a fee of Rs.1000/-
- (3) The application made under sub rule (1) shall be decided by the Government on its merits.

**20. Execution of Lease :-**

- (1) Where the lease has been granted or renewed under these rules, the grantee shall pay demarcation fee, get the area demarcated, deposit the security alongwith one quarterly instalment of annual dead rent and submit requisite stamps for execution of formal lease deed in form No.5 within 45 days from the date of receipt of order for grant.
- (2) The deed shall be executed within 3 months from the date of receipt of order or grant and the Competent Authority shall sign the agreement on behalf of Governor of Nagaland.
- (3) The lease deed shall be got registered by the grantee within a period of 2 months from the date of receipt of the lease deed from the Assessing Authority for the lease deed from the Assessing Authority for the purpose and shall be returned to the Assessing Authority concerned after registration within the said period.
- (4) Where the grantee fails to comply with the provisions of sub-rule (1) above, within a period of 45 days from the date of receipt of the order for grant, or he fails to execute the lease within 3 months from the date of receipt of order for grant or fails to return the registered lease documents within a period of 2 months provided under sub-rule (3), the order granting the lease may be revoked and amount of security and dead rent deposited by him may be forfeited :

Provided that if the grantee applies before expiry of 45 days specified in sub-rule (1) for extension of time for completing the formalities mentioned therein, the Competent Authority may allow further time out exceeding three months subject to payment of penalty @ 9% of annual dead rent for every month of delay or part thereof.

Provided further that where the authority competent to grant the lease is satisfied that there are sufficient reasons to believe that the grantee is not responsible for the delay in the execution / registration of lease deed, he may permit the execution / registration and return of the lease deed within a reasonable time after expiry of aforesaid period.

Provided further also that if the grantee has applied (within one month) of expiry of aforesaid period of 3 months of extension of time for execution of lease, the Competent Authority may extend the time-limit for execution of lease for a further period of 2 months subject to payment of penalty @ 9% of annual dead rent for every month of delay of part thereof.

- (5) When a mining lease is granted by State Government or the Competent Authority, arrangements shall be made at the expenses of the lessee for the survey and demarcation of the area granted under the lease :

Provided that where the Assessing Authority concerned feel it necessary to demarcate the area before issuing an order of grant for mining lease, he may ask the applicant to deposit the demarcation charges within time specified by him and get the area demarcated;

Provided further that if the applicant fails to comply with such order, the application for grant of mining lease shall be rejected.

The demarcation charges may be fixed and revised by Government from time to time and may vary from place to place.

**21.    Currency of lease :-**

The currency of lease shall be from the date of execution of the lease agreement unless otherwise stated. The execution shall include registration of the documents also. The lessee shall have no right to continue work or accumulate stock on or after the date of termination of lease or its earlier determination, unless otherwise permitted by the Government or the Competent Authority.

**22.    Grant of mining lease by auction or tenders :-**

- (1) Notwithstanding anything contained in these rules, any mineral deposit may be lease out by public auction or by inviting tenders to be submitted for acceptance by the authority competent to grant the lease.
- (2) Notwithstanding anything contained in the Schedule-II, in such case the annual

dead rent shall be determined by the tender or the bid offered as the case may be and such dead rent shall be subject to revision as per provisions of these rules. Other terms and conditions of the lease shall be in accordance with rule 19 of these rules.

- (3) Mining lease of public auction or tender shall be granted only in such cases as the Government may be general or special order direct.
- (4) The State Government may discontinue grant of mining lease by auction or tender in a particular area by issuing a notice in the official Gazette.'

### **CHAPTER - III**

#### **GRANT OF QUARRY LICENCES**

**23. Restriction on grant of quarry licences :-**

- (1) No quarry licence shall be granted for any mineral deposit unless it is notified in the Nagaland Gazette by the Assessing Authority after due approval of the Director. Such notification shall be made after delineating the plots of quarries and shall mention the dimension of area for each licence :
- (2) The maximum number of the licences, which may be issued to a person in his individual capacity or jointly with any other person within jurisdiction of concerned Assessing Authority shall not exceed two.

**24. Application for grant of quarry licence :-**

- (1) Every application for grant of a quarry licence shall be submitted to the Assessing Authority in Form No. 1-C
- (2) Every application for grant of a quarry licence shall be accompanied by a fee of Rs.1000/- either in the form of Bank Draft/Treasury Challan or in cash at the office where application is submitted. The application fee shall not be refunded.

**25. Register of quarry licence applications and quarry licence :-**

- (1) A register of quarry licence application shall be maintained in the office of the concerned Assessing Authority in the Form No.6
- (2) A register of quarry licences shall be maintained in the office of the concerned Assessing Authority in the Form No. 7

**26. Area under quarry licence :-**

In respect of a particular area and mineral deposit the dimension of each plot for the purpose of grant of quarry licence shall be fixed by the Assessing Authority.

Provided that dimension of each plots shall not be smaller than 40m x 20m.

Provided further that and dimension of one plot under such Licensee shall not exceed 200m x 100m

**27. Procedure for grant and renewal of quarry licence :-**

- (1) A quarry licence shall be granted by the Assessing Authority on Form No.8 for a period of two years or part thereof ending on 30th June or 30th Sept. or 31st December.
- (2) A quarry licence may be renewed on its submission to the Assessing Authority atleast 30 days before the expiry of such licence and accompanied with a fee Rs.500/- for a period of five years and where the Competent Authority is satisfied that the quarry has been worked properly, subsequent renewals may also be granted to the licensee.

Provided that the maximum period including the period of original grant and subsequent renewals of a quarry licence shall not exceed 10 years reckoned from the date of enforcement of these rules.



- (3) The licence shall pay licence fee in advance before the expiry of licence period and in case the same is not deposited within 3 months from the date of expiry of the original period, the licence shall be deemed to have been cancelled.

Provided that the licence shall enjoy a grace period of 15 days after the expiry of the period of licence and no penalty will be chargeable upto this period of 15 days. The license shall thereafter pay penalty @ 10% of the licence fee for delay of each period of one month or part thereof.

**28. Preferential right of certain persons :-**

When two or more applications have been received for a quarry licence in respect of the same plot within the period specified for receipt of applications for that plot, the competent Authority after taking into consideration the matter specified below may grant quarry licence to such one of the applicants as it deems fit :-

- (a) Any special knowledge or experience in mining operations possessed by the applicant.
- (b) Financial resources of the applicant and the amount of investment proposed to be made in mechanization or quarry.
- (c) Proposal for setting up cutting and polishing plant for the mineral excavated and
- (d) Any other matter as may be specified.

**28. A. Availability of the area for regrant :-**

- (1) When the quarry licence has been granted to an applicant and the applicant fails to deposit the licence fee, the plot shall be available for regrant after affixing a 30 days notice on the board in the office of the concerned Assessing Authority and an entry to this effect shall be made on the same day in the register of quarry licenses maintained for this purpose.
- (2) When the quarry licence is determined earlier or when the period of 3 months after the expiry of license also expires and the licensee fails to deposit the licence/ renewal fee as per rules, the plot shall be available for regrant after affixing 30

days notice on the notice board in the office of the concerning Assessing Authority and an entry to this effect shall be made on the same day in the register of quarry licenses maintained for this purpose.

**29.   Licence fee, security etc., for quarry licence :-**

- (1)    The licence fee for a quarry licence shall be between Rs.1000/- to 15,000/- per annum as may be fixed by the Assessing Authority from time to time. The licence fee shall be paid annually in advance on demand by the Assessing Authority provided that if the period of licence is less than one year at the time of initial grant as provided in rule 27 (1) proportionate amount of licence fee for the calendar month during which the licence remained in force shall be charged in the first year.

Provided that such licence fee once fixed shall not be revised more than once during any period of 3 years.

- (2)    Every licensee shall deposit a security which shall be equivalent to 50% of the annual licence fee with the Assessing Authority alongwith the conditions of the licence;

Provided that security amount shall be refunded to the licensee on termination of the licence after deducting dues against the license, if any.

- (3)    The licensee or his agent, contractor, assignee, transporter etc., shall pay, in addition to the licence fee royalty to the Govt. in accordance with the schedule-I

Provided that royalty not be revised more than once during any period of 3 years.

**30.   Conditions of quarry licence :-**

- (1)    The licensee shall have the liberty at all times during the period of the licence in respect of the plot/land for which licence is sanctioned to enter upon the area and to mine, bore, dig, drill, win, work, stock, dress, process, convert, carry away and dispose of the said mineral subject to the following conditions :-

- (a) The licensee or his agent, contractor assignee, transporter etc. shall pay royalty on the quantity of he said mineral dispatched from the said quarry at the rate specified in the First Schedule, to the Government.
- (b) The license shall pay annual fee in advance to the Government on or before such date as specified by Assessing Authority. If the licence fee is not paid on the due date, the same shall be recoverable alongwith a penalty equivalent to 10% of the licence fee within a period of 3 months from the date of expiry of period of licence. If the fee alongwith penalty is not paid within that period the licence shall be cancelled.
- (c) The licence shall deposit a sum equal to 50% of the annual licence fee as security for the observance of he terms and conditions of the licence.
- (d) The licence shall pay such amount per year or part thereof the Government for removal of dump from the quarry at such rate and it such time as may be fixed by the Government from time to time.
- (e) The license shall start work in the quarry within one month of the grant of licence and shall thereafter continue to work effectively in a proper skillful and workmanlike manner, both as regards conservation of mineral and as regard removal of all valuable minerals from within the mines.
- (f) The licensee shall maintain and at all time keep in repair boundary pillars at the corners of the quarry according to the demarcation approved by the Assessing Authority.
- (g) The Licensee shall abide by the instruction of the Assessing Authority regarding the working of quarry, removal of waste, drainage and other matters connected with the systematic development and working of the quarry.
- (h) The licensee shall make reasonable satisfaction and pay such compensation as

may be assessed by lawful authority in accordance with the law or rules or order in force on the subject for all damages, injuries or disturbances which may be done by him and shall indemnify and keep indemnified and completely the Government against all such damage, injury or disturbances and all costs and expenses in connection therewith; and

- (1) The licensee shall without any delay report to the Director/Assessing Authority any accident, which may occur at or in the said premises and also the discovery or within any of the lands or mines demised by the licensee of any mineral nor specified in the licence.
- (2) The licence may cancelled by assessing Authority without giving any notice if the licensee fails to start work at the said quarry or does not work it for a continuous period of 3 months without obtaining his prior approval. However the Assessing Authority may refuse for such approval for reasons to be recorded.
- (3) The mineral left on the expiry of licence period or cancellation of licence shall be removed by the licensee within 15 days of the expiry of licence or receipt of the order of cancellation of licence.
- (4) The licensee amy surrender the licence with immediate effect after giving a notice in writing to the Assessing Authority, provided that the amount of licence fee for the balance period of he licence shall not be refunded but the security deposited by the licensee shall be refunded.
- (5) The Assessing Authority may enhance or reduce the licence fee in respect or any particular area of block provided that the enhancement of licence fee shall not be made before a period of 3 years from any such previous enhancement.
- (6) The State Government may by a notification in the official Gazette amend from time to time the first Schedule so as to enhance or reduce the rate at which royalty shall be payable in respect or any mineral provided that any enhancement in the rate of royalty for a mineral shall not be made before a period of 3 years of any previous enhancement.

- (7) The license shall confine his working within the limits of the plot allotted to him and shall not undertake mining outside his plot. In case the licensee is found working outside the boundary of his allotted plot, the licence may be cancelled by the Assessing Authority.  
Provided that no such action shall be taken against the license without giving him an opportunity of being heard.
- (8) The licensee shall not obstruct approach to the adjoining licensee. In case of any dispute about the approach road, directions of the Assessing Authority shall be final and binding.

**31. Cancellation of license :-**

- (1) The licensee shall abide by all times and conditions of licence.

Provided that the Assessing Authority in charge of the area may issue directions in respect of mining methods, remove and disposal of over burden, stacking of minerals, payment of royalties and other connected matters.

- (2) If the licensee commits breach of any terms of licence or any provision of the rules or fails to comply with the directions given by the Assessing Authority within the period specified by him Competent Authority may after giving 15 days notice to remedy the breach or to comply the directions, impose penalty not exceeding Rs.500/- or in the alternative may cancel the licence with forfeiture of security deposits and licence fee for the remaining period of the licence.

**32. Transfer of quarry licenses :-**

- (1) A quarry licence may be transferred with prior approval of the Competent Authority after a period of one year from its commencement to a person belonging to the same category as that of the licence, on payment of a transfer fee of Rs.1000/-;

Provided that transfer of a quarry licence shall not be allowed where the quarry has not been worked.

- (2) The Competent Authority shall dispose of an application for transfer of quarry

licence.

#### **CHAPTER - IV**

### **GRANT OF MINING LEASE AND ROYALTY COLLECTION CONTRACT BY AUCTION OR TENDER**

**33. Grant of Mining Lease and Royalty Collection Contract by auction or Tender :**

- (1) Mining lease may be granted by auction or tender only in respect of such area and such mineral as the Director may by a general or special order direct.
- (2) Mining lease may be granted by the Competent Authority by auction or tender for a maximum period of two years.  
Provided where it is necessary to do so, the period of lease may be further extended by the Competent Authority with the prior approval or tender for a maximum period of two year :
- (3) The amount to be paid annually by the lessee to the Government shall be determined in auction or by tender to be submitted for acceptance by the authority competent to grant the lease.

Provided that in case of enhancement in the rate of royalty given in Schedule-I, the lessee shall be liable to pay an increased amount in proportion to the enhancement for the remaining period of lease from the date of such enhancement.

**34. Presiding Officer :-**

The Assessing Authority shall be the presiding officer for auction for grant of mining lease and royalty collection contract in his jurisdiction and he may reject or accept any bid without assigning any reason to the bidders subject to a pecuniary powers vested in him under these rule.

**35. Procedure for auction :-**

The following shall be the procedure for holding auction for mining leases under

rule 22 and for royalty collection contract under rule 33 :-

- (a) The auction shall be notified in the Nagaland Gazette (or atleast one daily newspaper having wide circulation in the State), on the notice board of the Director's and Assessing Authority's office.
- (b) The auction notification shall be published atleast 30 days before the date of auction and shall mention the date of auction. A copy of such notification shall be sent to the village Council/Town Committee/Municipal Board having jurisdiction of the
- (c) The terms and conditions and description of the royalty collection contract or lease shall be affixed on the notice board in the office of concerned Assessing Authority and shall also be read out to the intending bidders at the time of auction and their signatures or thumb impressions shall be obtained in token thereof.
- (d) The intending bidders shall deposit the earnest money as mentioned below in each case :-

(i)	For Government bid upto	Rs. 1,000/-	Rs. 50/-
(ii)	For Government bid upto	Rs. 5,000/-	Rs. 250/-
(iii)	For Government bid upto	Rs. 10,000/-	Rs. 500/-
(iv)	For Government bid upto	Rs. 20,000/-	Rs. 1,000/-
(v)	For Government bid upto	Rs. 100000/-	Rs. 5,000/-
(vi)	For Government bid upto	Rs. 100000/-	Rs. 5,000/-

Plus 2500/- for every additional one lac rupees or part thereof subject to the maximum of Rs. 2 lakhs.
- (e) No bid shall be regarded as accepted unless confirmed by the Competent Authority.
- (f) No bid for mining lease or royalty collection contract recording a fall exceeding 25% of dead rent incase or mining lease or contract amount in case or royalty collection contact in comparison with the previous dead rent or contract amount for the same area shall be accepted by the granting Authority without prior

approval or the next higher authority.

- (g) On completion of auction, the result will be announced and provisionally selected bidder shall immediately deposit the security money and bid amount in advance as under :-
  - (i) If the yearly bid amount does not exceed Rs. 100,000/- is shall be immediately deposited in full.
  - (ii) If the yearly bid amount exceed Rs. 100000/- but does not exceed Rs.10 lakhs, 25% of the bid amount shall be deposited immediately as first quarterly instalment. Other quarterly instalment shall be deposited in advance in the date specified in the agreement.
  - (iii) If the yearly bid amount exceeds Rs. 10 lakhs, it shall be recovered in twelve monthly installments but the first instalment shall not be less than 10% of bid amount. The remaining bid a mount shall be deposited in eleventh monthly installments by the tenth of each month in advance.
  - (iv) If the yearly bid amount does not exceeds Rs.10 lakhs, security deposit shall be 25% of the bid amount.
  - (v) If the yearly bid amount exceeds Rs. 10 lakhs, security deposit shall be 12.5% of bid amount.
  - (vi) The highest bidder in the auction shall be provisionally selected bidder for grant of the contract.
- (h) Misbehaviour by any person during auction can be punished by his removal or if necessary by debarring him for a period of three years from any future auction under these rules at the discretion of the Presiding officer.
- (i) Earnest money shall be refunded immediately at the conclusion of the auction



to all excepting the persons whose bid is provisionally accepted. The earnest money so retained shall be allowed to be adjusted against bid amount to be deposited under clause (g) of this rule.

- (j) No person against whom any dues of the Department are outstanding shall be allowed to bid at the auction and if allowed to bid by mistake, such bid shall not be considered for acceptance. Provided that where any injunction order has been issued by the court of law or any other competent authority staying the recovery of such dues the non payment thereof shall not be treated as disqualification for the purpose of this rule.
- (k) If the provisionally selected bidder fails to deposit the amount of bid (or security deposit) as required under clause (g) or this rule, the earnest money deposited under clause (d) of this rule shall be forfeited to the Government and mining lease or royalty collection contract shall be re-auctioned as per rules.

**36. Procedure for calling tenders :-**

Following shall be the procedure for calling tenders for mining lease under rule 22 and royalty collection contract under rule 33 :-

- (a) The tender shall be notified in the Nagaland Gazette (or atleast one daily news paper having wide circulation in the State), on the notice boards of the Director's and Assessing Authority's office. The notification shall be published atleast 30 days before the date of tender and shall mention the date upto which tenders shall be opened. A copy of such notification shall be sent to the Village Council/ Town Committee/Municipal Board having jurisdiction over the area in question alongwith terms and conditions.
- (b) Terms and conditions of the tender shall be affixed on the notice board of Assessing Authority concerned and shall be made available to intending tenders on payment of Rs.10/-
- (c) Every tender shall be submitted in sealed cover superscribed with the relevant

details of the mining lease or the royalty collection contract.

- (d) Every tender shall be accompanied by :-
  - (i) The earnest money in cash or crossed demand draft in favour of the Assessing Authority, of Rs.5,000/- for the offer of Rs.1 lakhs or part thereof subject to the maximum amount of Rs.2 lakhs.
- (e) No tender shall be regarded as accepted unless approved by the Competent Authority.
- (f) No tender for mining lease or royalty collection contract of the value of Rs. 10,000/- or less, recording a fall exceeding 25% and similar tender for mining lease or royalty collection contract of the value of more than Rs.10,000/- recording a fall exceeding 10% in the amount of dead rent or contract in comparison with that of previous lease or contract in the same area, shall be accepted without prior approval of the Director.
- (g) The tenders shall be opened in the presence of tender (s) who may be present at the notified time for opening tenders. The tenderer whose tender is provisionally accepted shall within two days of the opening of the tender, deposit the tender amount and security deposit for due observance of the terms and conditions of the mining lease or contract as under :-
  - i) If the yearly tender amount exceeds Rs.100,000/- it shall be deposited in full.
  - ii) If the yearly tender amount exceeds Rs.100,000/- but does not exceed Rs.10 lakhs, 25% of the tender amount shall be deposit as first quarterly instalment. Other quarterly installments shall be deposited in advance on the date specified in the agreement.
  - iii) If the yearly tender amount exceeds of Rs.10 lakhs, it shall be recovered in twelve monthly installments but the first instalment shall not be less then 10% of bid amount and deposited immediately. The remaining tender amount shall be deposited in eleven equal monthly installments by 10th of

each month in advance.

- iv) If the yearly tender amount does not exceed Rs.10 lakhs, security deposit shall be 25% of the tender amount.
- v) If the yearly tender amount exceed Rs. 10 lakhs, security deposit shall be 12.5% of tender amount.
- vi) The security money shall be adjusted in the last instalment if the contractor completed without any lapse on the part of the contractor.
- (h) Misbehaviour by any person during the course of offering tender can be punished by rejection of his tender or, if necessary, by debarring him for a period of 3 years from date of offering tender in future under these rules.
- (i) Earnest money shall be refunded within a period of one month from the date of final decision on the tenders excepting the person whose tender is accepted. The earnest money so retained shall be allowed to be adjusted against security under clauses (g) of this rule.
- (j) No person against whom any owes / dues of the Department are outstanding shall be considered for acceptance of a tender under this rule.

Provided that when any injunction order has been issued by a court of law or other Competent Authority staying the recovery of such dues, the non-payment thereof shall no be treated as disqualification for the purpose of this rule.

- (k) If the provisionally selected tenderer fails to deposit he security money deposited under clause (d) shall be forfeited to the Government and fresh tender shall be invited for grant of the mining lease or royalty collection contract.

**37. Register of Mining lease granted by auction or tenders :-**

A register of mining leases granted by auction or by inviting tenders shall be maintained in the office of Assessing Authority for their respective jurisdiction in Form No.9

**38. Execution of lease :-**

- (1) When a bid / tender for mining lease is accepted by the Competent Authority, the bidder / tenderer shall execute an agreement in Form No.5 within a period of three months from the date of order accepting the bid/tender.
- (2) When a bid/tender for royalty collection contract has been accepted by the competent authority, the bidder or tenderer shall execute an agreement in form No.10 within a period of two months from the date of the order accepting the bid/tender shall be revoked and the amount deposited as security under clause (g) of rule 35 or under clause (d) of rule 36 shall be forfeited.
- (3) Notwithstanding anything contained in the sub-rule 1, if the Lessee fail to execute the agreement within the prescribed time limit, the order accepting the bid/tender shall be revoked and the amount deposited as security under clause (g) of rule 35 or under clause (d) of rule 36 shall be forfeited.

Provided that where the authority competent to grant the lease or contract is satisfied that there are sufficient reasons to believe that the Lessee is not responsible for delay in the execution of the formal agreement within a reasonable time after expiry of aforesaid period of three months :-

Provided further that if the Lessee has applied before the expiry of aforesaid period or 3 months for extension of time for execution of the agreement, the competent Authority may extend the time limit for execution of the agreement for a further period of 3 months subject to payment of penalty @9% of annual dead rent for every month of delay or part thereof.

**Explanation :-**

The execution of the agreement shall include registration of lease document also for the purpose of this rule.

- (4) The lease or contract agreement shall be signed by the competent Authority on behalf of the Governor of Nagaland.

## **CHAPTER - V**

### **ASSESSMENT OF ROYALTY**

#### **39. Assessment of royalty :-**

- (1) Assessment and determination of royalty due from an Assessee during an assessment year or as required shall be made by Assessing Authority after the returns in respect of that year have been or the statement of production, dispatches or consumption has been submitted by the person concerned or upon checking the stock of the mineral dealer;

Provided that the Assessing Authority may make provisional assessment for a particular period during the assessment year after the receipt of statistical returns or the period.

- (2) For the purpose of assessment of royalty as mentioned in sub rule (1), the Assessee shall submit monthly returns in Form No.11A by 15th of the following month and annual returns in Form No.11 within one month from the date of expiry of the assessment year;

Provided that for purpose of this sub-rule, the Assessing Authority may fix a date on which, the place at which the Assessee shall produce such records as may be required by it in respect of production, removals, consumption and stock, bills of sales, labour attendance, payments and any other account books connected with these matters.

- (3) If the Assessee fails to submit returns under sub-rule (2), or the returns filed appear to be incorrect, the assessing Authority may hold such enquiry as it may deem fit for the assessment of royalty for the assessment year to the best of its judgement;

Provided that the Assessing Authority shall give reasonable opportunity of being heard to an Assessee before taking an action under this sub-rule.

- (4) For the purpose of sub-rule (3) the Assessing Authority may serve a 15 days notice upon the Assessee requiring him to appear in person or by an Agent duly authorized in writing on a date and at place specified in the notice and to produce or cause to be provided any evidence on which the Assessee relies in support of the correctness of the returns or statements and records furnished by him or produce or cause to be produced such accounts or documents pertaining to the assessment year and the last five years proceeding the assessment year as the Assessing Authority may require.
- (5) One the day specified in the notice given to sub-rule (4) or on any other day thereafter which the Assessing Authority may fix, the Assessing Authority, after hearing and considering the evidence as may be produced by the Assessee in this behalf and such other evidence as may be produced by the Assessee in this behalf and such other. Evidence and documents as the Assessing Authority may require, shall make an order in writing of assessment of royalty payable by the Assessee.

**40.      Assessment on the basis of best judgement in case of failure to submit monthly and annual returns or in case of likely evasion of royalty :-** If the Assessee fails to submit the returns within the period prescribed in sub rule (2) of rule 39 or the returns submitted are incorrect or the Assessing Authority has reasons to believe that the Assessee had evaded or avoided any royalty, the Assessing Authority may after giving to Assessee a reasonable opportunity of being heard and after making such enquiry, as it considers necessary, assess the royalty for the period to be best of its judgement. The amount also assessed shall be payable by the Assessee forthwith and in case of default in payment, the amount so assessed shall be recoverable as an arrear of land revenue.  
Provided that no such royalty assessment shall be made on best judgment basis without obtaining prior approval of the next higher authority.

**41.      Reopening of cases of best judgment of Assessment :-** Where an assessment

has been made to the best of judgement of the Assessing Authority and the Assessee makes an application to the Assessing Authority within 30 days from the date of service of notice of demand in consequence of Assessment for the cancellation of the assessment on the ground.

- a) That he did not receive the summons or notice issued to him for the purpose of assessment; or
- b) That he was prevented by sufficient cause for complying with any summons or notices.

The Assessing Authority shall if satisfied about the existence of such ground, cancel the assessment and proceed to make a fresh assessment in accordance with the provisions of rules 39 and 40 as the case may be ;

Provided that the Assessing Authority of it's own motion may also reopen the assessments made on the basis of best judgement if it has sufficient reasons to do so.

**42. Assessment of royalty incorrectly assessed :-**

- (1) If for any reason, the whole or any part of dispatches of mineral from the leased area or consumption of mineral within the leased area escaped royalty or was assessed at a low rate in any year, the Assessing Authority may serve a notice upon the Assessee in the Form No. 13 and may proceed to assess or reassess the correct amount of royalty.

Provided that nothing in this sub-rule shall be deemed to prevent the Assessing Authority from making an assessment to the best of it's judgement.

- (2) No notice under sub-rule (1) above shall be issued in respect of dispatch and consumption of mineral for any year after expiry of five years from the date of relevant Assessment.

Provided that this rule shall not apply for any assessment or re assessment made in consequence of or to give effect to any finding or direction contained in or an order or appeal or revision or in an order of any competent court.

**CHAPTER - VI**

**DELEGATION OF POWERS, APPEAL AND REVISION**

**43. Delegation of power :-**

The State Government may, by notification in the official Gazette direct that any power exercisable by it under these rules may in relation to such matters and subject to such conditions, if any, an may be specified in the notification be exercisable to such conditions, if any, an amy be specified in the notification be exercisable also by such officer or authority subordinate to the State Government.

**44. Appeal :-**

- (1) Any person aggrieved by an order of Assessing Authority passed under these rules in the following matters shall have the right of appeal to the Director.
  - a) refusing the grant or renewal of mining lease, quarry licence.
  - b) canceling or terminating mining lease or quarry licence or for feithing security deposit in whole or in part.
  - c) refusing to permit transfer of quarry licence or mining lease
  - d) assessment of royalty and
  - e) imposition of penalty
- (2) Any person aggrieved by any order passed in appeal under sub-rule (1) or any other passed by the Director under these rules shall have the right of appeal to the Government.
- (3) Any person aggrieved by any order of the Director by virtue of the powers delegated or otherwise exercised under these rules on the matters mentioned in sub-rule (I) shall have the right of appeal to the Government.
- (4) The order passed by the Government in appeal shall be final.

**45. Form of Appeal and fees :-**

- (1) An appeal under rule 44 shall be in the form of memorandum of appeal in duplicate numbered in paragraphs stating concisely and precisely the grounds of objection and relief demanded.
- (2) The memorandum of appeal shall be accompanied by a challan of Rs.1000/- deposited as fee in the Government treasury under the head of Account as may be determined from time to time.

**46. Limitation :**

An appeal under rule 44 shall be filed within three months of the date of the order



appealed against.

Provided that an appeal may be admitted after the said period if the appellant satisfies the appellate authority that he had sufficient cause for not filing appeal within the said period.

**47. Procedure of appeal :-**

- (1) Upon receipt of Memorandum of appeal satisfying requirement of rules 45 and 46, the appellate authority shall fix a date of hearing. It may if it thinks fit, call for the relevant records and other information from the officer whose order is the subject of appeal.
- (2) The appellate may confirm / modify or set aside the order under appeal, after giving the appellant an opportunity of being heard and considering any comments that might be offered by the officer who gave the order under appeal.

**48. Revision :-**

- (1) The State Government in respect of any order, whether in appeal or otherwise passed under these rules by the Director/Assessing Authority may on an application by an aggrieved party made within 3 month of such order in this behalf or if its own motion call for and examine the connected records for the purpose of satisfying itself as to the correctness legality or propriety of the order any may confirm, modify or rescind such order;

Provided that an application for revision may be admitted by the Government after the said period of 3 months if the Government is satisfied that the application has sufficient cause for not filling the revision application in time.

- (2) Every application for revision shall be made in Form No.14 in duplicate and shall be accompanied by a treasury challan of Rs.2000/- deposited as fee in the Government Treasury under the appropriate head of Account as may be determined from time to time.
- (3) **Power the State Government to enhance or reduce various fees :**

The state government may be notification in the official gazette enhance or reduce

various fees prescribed under different provision of the Rules.

## **CHAPTER - VII**

### **OFFENCES PENALTIES AND PERSECUTIONS**

#### **49. Unauthorized working :-**

- (1) No person shall undertake any mining operations except in accordance with the terms and conditions of the Mining lease, quarry licence, short term-permit or any other permission granted under these rules.
- (2) The lessee or any other person shall not remove or dispatch mineral from the mines and quarries without transport challan for the lease hold area in Form No.12 and duly sealed by the department.
- (3) Any contravention of sub-rule (1) shall be punishable with imprisonment which may extend to one year or with fine which may extend upto Rs.5000/- or with both, and in case of a continuing contravention, with an additional fine which may extend to Rs.500/- for everyday during which such contravention continues after conviction for the first such sum as he may specify.

Provided further that the amount specified under the above provision shall not be less than Rs.500/- and shall be in addition to the cost of mineral if recoverable.

- (4) Where any person trespasses on any land on contravention of the provisions of sub-rule (1) such trespasses may be served with an order of eviction by the Director / Assessing Authority concerned.
- (5) Whenever any person without a lawful authority or in contravention of the terms and conditions of the mining lease/quarry licence, short term permit or any other permit raised any mineral from any land and for that purpose bring on the land

any tool, equipment, vehicle or other thing may be seized by the authorities mentioned in sub-rule 4); provided that where mineral so raised has already been dispatched or consumed, the authorities mentioned in sub-rule (4) may recover cost of the mineral along with rent, royalty or the tax chargeable on land occupied or mineral excavated which will be computed as 10 times the royalty payable at the prevalent rate;

Provided further that every officer seizing any property of mineral under this rule shall give a receipt of the property so seized to the person from whose possession the property or mineral is so seized to the person from whose possession the property or mineral is so seized and make a report of such seizure to his superior officer and to the Magistrate having jurisdiction over the area to try office.

- (6) The property other than the mineral seized under sub-rule (5) may be released by the officer who seized the property in the execution of bond by the trespasser or the owner of the property or any other person to the satisfaction of such officer that the property so released shall be produced at the time and the place when such production is required by such officer.

Provided that where a report has been made to the Magistrate under sub-rule (5), the property shall be released only under the orders of the Magistrate.

- (7) All property seized under this rule shall be liable to be confiscated by an order of Magistrate trying the offence if the rent, royalty or tax or/and cost of the mineral as mentioned above are not paid by the trespasser within a period of 3 months from the date of commission of such offence or when the recoveries are not effected by that time;

Provided that on payment of these dues within the said period of 3 months, all properties seized shall be ordered to be released and shall be handed over to the trespasser or the owner of the property.

- 50. Contravention of certain conditions of lease :-** Any lessee or his transferee or his assignee, who commits a breach of any of the conditions of the lease mentioned in clauses (9) or (12) or rule 19 shall be punished with imprisonment

for a term which may extend to six months or with fine which may extend to Rs.1000/- or fine which may extend to one hundred rupees for every day during which such contravention continues after conviction for the first such contravention.

**51. Offence cognizable only on written complaint :-**

No court shall take cognizance of any offence punishable under these rules except upon a complaint in writing made by a person not below the rank of Junior Engineer (Mining);

Provided that the Junior Engineer (Mining) shall obtain prior approval of the immediate officer before filing any complaint.

**52. Role of Police :-**

The authorities empowered to take action under rule 49 shall, if necessary request in writing for the help of the local police and the police authorities shall render such assistance, as may be necessary to enable the officers to exercise the powers conferred on them by these rules to stop unauthorized mining and movement of minerals.

**53. Investigation of offences :-**

- (1) Subject to such conditions as may be specified, the Director may authorise either generally or in respect of a particular case or class of cases, any officer not below the rank of Junior Engineer (Mining) to investigate all or any of the offences punishable under these rules.
- (2) Every officer so authorized shall in the conduct of such investigations, exercise the powers conferred by the Code of Criminal Procedure, upon an officer-in-charge of a police station for the investigation of a cognizable offence.

**54. Power to take evidence on oath :-**

The Assessing Authority of Investigating Officer and the Appellate Authority shall for the purpose of these rules have the same powers as are vested in a court under the Code of Civil Procedure when trying a suit in respect of the following matters namely :-

- a) enforcing the attendance of any person and examining him on oath or

affirmation.

- b) Compelling production of documents; and
- c) Issuing commission for examination of witnesses, and any proceedings before of Appellate Authority, the Assessing Authority and Investigating officer shall be deemed to be a “Judicial proceeding within the meaning of Section 193, 196 and 228 of the Indian Penal Code.

**55. Powers of entry, inspection of records and seizure of books of accounts of a dealer/lessee :-**

- (1) An Assessing Authority or investigating Officer authorized by Director in this behalf may for the purposes of these rules, require any dealer/lessee to produce before him the accounts, registers and other documents and to furnish any other information relating to mining operations or business.
- (2) All accounts, registers and other documents pertaining to the business of a dealer/lessee, the minerals in his possession or in the possession of his agent, or broker for the time being on his behalf and their office, godown, factory, shall be open for inspection and examination of any such authority or person at all reasonable time.
- (3) If any such authority or person has reason to suspect that any dealer/lessee is attempting to evade payment of royalty or other dues under these is attempting to evade payment of royalty or other dues under these rules, he may, for the reasons to be recorded in writing, seized such accounts registers or other documents of the dealers/lessee or any other person from whose custody such accounts, registers and documents are seized. The accounts, registers and documents so seized shall be retained by such officer only for their examination or for any equity or proceeding under these rules or for prosecution.

Provided that the accounts, registers and documents so seized shall not be retained by such officer beyond a period of 3 months from the date of seizure without the

written order of the Director for reasons to be recorded in writing;

Provided further that before returning the accounts, registers and documents such officer may require that the dealer/lessee shall give a written undertaking that the accounts, registers and documents shall be presented wherever required by Competent Authority for proceeding under these rules and that such undertaking shall be supported by a security in such form as may be specified for a sum not exceed Rs.5000/-

- (4) For the purpose of sub-rule 2 and 3 any such authority or person shall have power to enter and search at all reasonable time any offices, go down, factory or vehicle or any other place of business or any building or place where any such authority or person, has reason to believe that the dealer/lessee keeps or for the time being keeping any mineral's accounts, registers or other documents pertaining to his business or mining operations and also to search the body of any other persons found in such office, go down, factory, vehicle, building or place about whom any such authority or person has reason to suspect that he may have in his personal possession any such minerals, books of accounts, registers or documents.
- (5) Such authority or person may, when it is not practicable to seize any books or accounts, registers, documents or mineral, serve upon the dealer/lessee or the person who is in immediate possession or control thereof, an order that he shall not remove, part with or otherwise deal with them except with the previous permission of such authority or person who may take such steps in accordance with rules, as may be necessary for ensuring compliance of this sub-rule.
- (6) The power conferred by sub-rule (4) and (5) shall include he power to break open any box or receptacle in which any mineral, accounts, registers or documents or dealer/lessee may be contained or to break open he door of nay premises where any such mineral, accounts, registers or documents may be kept or to place marks or identification on his books of accounts, register or documents for to make or cause to be made extracts or copies thereof;

Provided that the power to break open the door shall be exercised only after the dealer/assessee or any other person in occupation of the premises, if he is present

therein, fails or refuses to open the door on being called upon to do so.

- (7) Any such authority or person shall have power to seize any mineral, the removal or sale of which is liable to payment of royalty or cost and which are found in possession of a dealer/lessee or in the possession of his agent or broker or of any other person for time being on his behalf or in any office, godown, factory, vehicle or any other place or business or building of the dealer/lessee or of the agent, the broker or of any other person holding the said mineral on his behalf but not account for by the dealer/lessee in his accounts, registers, or any other documents maintained in the course of his business or any mining operations.

Provided that list of mineral/documents seized under the sub-rule shall be prepared by such authority or person and signed by two respectable witnesses.

- (8) An investigating officer authorized under sub-rule (1) or the Assessing Authority may after giving the dealer/lessee an opportunity of being heard and holding such further enquiry as he may consider fit, realize from him, for the possession of mineral not accounted for the cost of mineral at 10 times of royalty.
- (9) Such officer or authority may release the mineral or documents seized under these rules on payment of cost of mineral or on furnishing such security for payment thereof as he may consider necessary.
- (10) Any such authority or person may require any person :-
- a) Who transports or holds in custody for delivery to or on behalf of any dealer/lessee, any mineral to give any information likely to be in his possession in respect of such mineral or to permit inspection thereof as the case may be;
  - b) Who maintain or has in his possession any accounts, books or documents relating to the business/mining operations, to produce such accounts, books or documents relating to the business/mining operations, to produce such accounts, books or documents for inspection.
- (11) The provisions of Code of Criminal Procedure relating to searches shall apply,

so far may be, to the searches made under these rules.

## **CHAPTER - VIII**

### **MISCELLANEOUS**

#### **56. Application of rules to all renewals :-**

These rules shall apply to the renewal of the leases granted or renewed before the commencement of these rules as they apply in relation to renewal of mining lease granted after such commencement.

#### **57. Register to be open for inspection :-**

All registers maintained in the office of the Assessing Authority under these rules shall be open for inspection by any person who holds or intends to acquire a mining lease or quarry licence under these rules on payment of a fee of Rs.100/- for each inspection.

#### **58. Rectification of mistakes :-**

Any clerical or arithmetical mistake in any order passed by Government or any other office under these rules and any error arising therein from accidental slip or omission may be corrected by the Government or officer, as the case may be.

#### **59. Availability of the area for re-grant :-**

- (1) No area which was previously held or which is being held under mining lease or in respect of which order of grant has been made but the same has been revoked under sub-rule (4) of rule 20 or previously reserved under rule 72 by the Government or restricted for grant of mining lease under sub-rule (1) of rule 4, shall be treated as available for grant unless a 30 days notice, declaring it as free area, is affixed on the notice board in the office of the Assessing Authority and an entry to this effect is made on the same day in the register of mining leases



maintained for this purpose;

Provided that nothing in this rule shall apply to the renewal of a lease in favour or the original lessee or his legal heirs notwithstanding the fact that the lease has already expired.

**60. Premature application :-**

Application for grant of mining lease or quarry licence in respect or areas whose availability for grant is required to be declared as free under rule 59 or 28 (A) shall, if -

- a) no notice has been issued under rules 59 or 28 (A); or
- b) where such notice has been issued, the period specified in the notice has not expired, shall be deemed to be premature and shall be rejected by the Competent authority with forfeiture of application fee.

**61. Rate of Interest :-**

Interest at the rate of 20% shall be charged on all dues in respect of dead rent, royalty, quarry licence fee and royalty collection contract amount after 15 days from the date of it becomes due.

**62. Dues may be recovered as arrears of land revenue :-**

Notwithstanding anything contained in these rules, Government may recover any dues in respect of dead rent, royalty, quarry licence fee, royalty collection contract amount, cost of mineral, penalties and any other dues under these rules together with interest as arrears of land revenue under the law in force relating to such recovery.

**63. Grant of short term permit :-**

- (1) Notwithstanding anything contained in these rule the Assessing Authority may grant short-term permit to a person on payment of a fee as laid down in sub-rule (4) below and such person may excavate and take away mineral on payment of advance royalty from the area specified in the permit. The conditions under which the permit holder shall work and safety precautions which he must take

shall be as specified in the permit.

**Provided that :-**

- a) unless otherwise specified, the dimension of the area for which a short-term permit may be granted shall not exceed (20x20m).
- b) in case of private land, Short-term-permit may be granted to the owner thereof; and
- c) in case where the lease has been granted but the same has not been executed or registered though no fault on the part of the application, short-term-permit may be granted to such applicant pending the execution or registration of lease agreement.

**(2) Short-term-permit shall not be granted for the following minerals :-**

- i) sandstone and limestone used as dimension stone (mill stone and flooring stone). mill stone and flooring stone).
- ii) limestone used for burning and chips making;
- iii) marble and dolomite.
- \ iv) granite used for making bricks, slabs and tiles;
- v) serpentine used as block and for chips making;
- vi) rhyolite and chert used for chips making
- vii) fullers earth, bentonite, and slate stone; and
- viii) Other mineral notified by the Government.

**(3) Every application for short-term permit shall be accompanied by the description of the land giving approximate location of the area from where excavation of mineral shall be made;**

Provided where vehicles carrying minor minerals other than as listed at sub-rule-2 pass through the Department check Post no application should be necessary and permit

fees together with royalty shall be charged at the check post.

- (4) The permit fee required to be paid under sub-rule (1) shall be charged as under :-
- |  |          |
|--|----------|
| a) For a short-term permit upto 2 tonnes   | Rs.10/-  |
| b) For a short-term permit exceeding<br>2 tonnes of mineral but not exceeding 8 tonnes   | Rs.30/-  |
| c) For a short-term permit exceeding 8 tonnes<br>of mineral but not exceeding 200 tonnes | Rs.50/-  |
| d) For a short term permit exceeding 200 tonnes<br>but not exceeding 500 tonnes          | Rs.75/-  |
| e) For a short term permit exceeding 500 tonnes  | Rs.100/- |
- (5) No short-term-permit shall be granted for quanted for quantities exceeding 500 tonnes except in case of contract of works Department of State Government / Central Government / Autonomous bodies / Government undertaking, on recommendation or concerned department.
- (6) Period for which a short-term permit may be granted shall not four months,

Provided that in case of Works Department of the Government, short term permit may be granted for a period longer than four months depending upon the period of work contracts;

Provided further that the period of short term permit shall be deemed to have been extended by 25% of the original period of short term permit if the permit holder fails to excavate and remove of quantity stipulated in the short term permit within the period originally sanctioned.

Provided further also that if a permit holder has excavated and carried mineral to the extent of 10% over and above and above the quantity specified in the permit within the stipulated time of the permit, only single royalty will be charged from the permit holder.

The permit holder shall be responsible for submission of his record within 15 days of the expiry of permit. However, if the permit holder excavated and carried a quantity more than 25% of the quantity sanctioned in the permit, entire quantity excavated and removed over and above the quantity sanctioned in the permit shall be treated as unauthorized excavation and permit holder shall be liable to pay the cost of such excess material.

Provided also that any excess quantity of mineral carried away by the permit holder after the expiry of time limit specified in the permit or any quantity of mineral removed after the extended period of short term permit under first provision to this sub-rule/ shall be treated as unauthorized excavation.

- (7) The Assessing Authority may refuse to grant a short permit for any mineral in any area.

**64. Relaxation of Rules :-**

The Government may relax any provision of these rules for reasons to be recorded in writing.

**65. Special mode of recovery :-**

- (1) Notwithstanding anything contained in these rules or contract to the contrary, the Assessing Authority may at anytime, by notice in writing (a copy of which shall also be sent to the Assessee at his last known address) require any person from whom any amount is due or may become due to an Assessee who has failed to pay any rent, royalty, penalty, interest or any sum due to Government to pay such amount limiting to total dues on demand by the Assessing Authority.
- (2) The Assessing Authority issuing a notice under sub-rule (1) may at any time amend or revoke such notice or extend the period for making any payment in pursuance of the notice.
- (3) Any person making any payment in compliance of a notice issued under sub-rule (1) shall be deemed to have made the payment under the authority of the Assessee and the treasury receipt for payment shall constitute a good and sufficient discharge of the liability of such person to the Assessee to the extent

of the amount specified in such receipt.

- a) Any person discharging any liability to the Assessee after service of the notice upon him under sub-rule (1), shall be personally liable to the State Government to the extent to the discharge of the liability to the Assessee in respect of any other sum due from the Assessee to the Government.
- b) Any amount which a person is required to pay for which he is personally liable to pay to the State Government under sub-rule (1) shall if such amount remains unpaid, be recoverable as an arrear of land revenue from such person.

**66. Refund :-**

- (1) Assessing Authority shall, on an application made in this behalf and after satisfying correctness of the claim made by the applicant, refund to an Assessee any amount paid by him in excess of the amount due from him under these rules, either by cash payment or by adjustment of such excess against the amount due from the Assessee in respect of any other period.

Provided that no claim for refund shall be allowed unless it is made within two years from the date of which the order of assessment was made or within 12 months of the final order passed in appeal whichever may be the later.

- (2) Any sum refundable under sub-rule (1) if not refunded within sixty days from the date of receipt of the Assessee's application shall carry simple interest @4% per annum after expiry of aforesaid period of sixty days.

**67. Establishment of check posts and barriers and weighing and inspection of goods in transit :-**

- (1) If the State Government, Director, Assessing Authority considers it necessary to do so, with a view to prevent or check the evasion of royalty under these rules at any place or places within the State, he may direct the setting up of check post or

erection of a barrier or both at such place or place by an order in writing.

- (2) The Director Assessing Authority or any of them in this behalf may check a vehicle carrying the mineral at any place and the owner or the person in charge of the vehicle shall furnish a valid transport challan in the prescribed form and other particulars such as bill as demanded by the officer.
- (3) At every check post or barrier set up under sub-rule(1) or at any other place when so required by the officer in charge of the check post of barrier or any other officer empowered by the Director/State Government in this behalf, the driver or any other person in-charge of the vehicle shall stop the same, get the minerals contained therein weighed, shall pay weighing charges as fixed by the Government from time to time and shall keep the vehicle stationed so long as may reasonably be necessary and allow officer-in-charge of the check post or the barrier or such other officer as aforesaid to examine the minerals in transit and also inspect all records relating to the minerals in possession of such driver or other person. The driver or other person shall, if so required by the officer-in-charge of the check post or the barrier or any other officer so empowered give his name and address as also the or the owner of the vehicle and the name and address or the consigner and the consigned. After checking the minerals and vehicle, the officer in-charge of the check post of the barrier or such other officer as aforesaid shall put his signature on the transport challan so as to avoid any further checking at another check post.
- (4) Every owner or person in charge of a vehicle shall with him a valid transport challan or bill of sale or a delivery note containing necessary particulars in respect or the materials carried and shall produce the same before any officer-in-charge of check post or barrier or other officer empowered under sub-rule(3).
- (5) If the officer in charge of the check post or any other officer mentioned in sub-rule (2) above has a reason to believe that royalty is likely to be evaded in respect of any mineral liable to assessment for royalty, such officer, may require the owner or person-in-charge of the vehicle to pay an amount equal to 10 times the amount of royalty payable on the mineral in accordance with Schedule-I;

Provided that in the mineral is not covered by a transport challan and the officer-in-charge is satisfied that the mineral had been brought from an area granted on lease/quarry licence or from an area granted on short term permit under these rules, he may recover royalty on such mineral which shall be adjusted against the final assessment thereof;

Provided further that where on weighment or by measurement at the check post, it is found that the entire quantity of mineral is not covered by the transport challan, the amount of royalty on such difference, shall be recovered by the officer-in-charge of the check post.

- (6) (i) The officer-in-charge of the check post or the barrier or the officer empowered under sub-rule (2) shall have the power to seize and confiscate any mineral which is under transit by vehicle or animal and dispatch of which is not covered by a valid Transport challan if the owner or person in charge of the vehicle refused to make payment as required under sub-rule (5).
- (ii) The officer-in-charge of the check post or the barrier or any officer empowered in this behalf shall give a receipt of such mineral seized by him to the person from whose possession or control it is seized.
- (iii) The officer-in-charge of the check post or any officer empowered under sub-rule (3) may direct the person-in-charge of the vehicle or animal to carry the mineral to the nearest police station or check post or barrier of the Department or at any other place decided by the Assessing Authority.

Provided that if the person-in-charge or he vehicle or animal refuses to carry the vehicle or animal to the nearest police Station or check post/empowered under sub-rule (3) may seize the vehicle or animal as the case may be, and take the same in his possession.

- (7) Whenever an order of confiscation in respect of mineral seized under sub-rule (6) is made by an officer empowered by the Government in this behalf, such officer shall give an option to the owner or incharge of the vehicle to pay an amount equal to 10 times or royalty in view of such confiscation. In case of failure of the owner or person-

in-charge of the vehicle to exercise such option, the confiscated material may be disposed of by the confiscating officer or any other authorized in this behalf by public auction or he may sell it directly at the rate prevalent in the adjacent area;

Provided that no such mineral confiscated under sub-rule (6) shall be disposed of by the confiscating officer or any other officer authorized in this behalf before 48 hours of such confiscation and till that time option shall remain with the owner of person in charge of the vehicle to carry the mineral after paying the cost of the mineral.

**68. Power of summon :-**

- (1) The Assessing Authority for the observance of these rules and for reasons to be recorded, may summon any of the parties using and or dealing in the mineral in the State and may demand necessary information and sources from where the mineral has been produced and the Assessing Authority may also depute any official by a general or special order in writing to collect such information and thereafter assess the royalty or the cost of mineral recoverable as the case may be.
- (2) Any person who is engaged in trading of minerals shall maintain a correct account of mineral purchased, stocked and sold by him and these records shall be produced for inspection if required by assessing Authority or a person by Assessing Authority in this behalf;

Provided that if such trader fails to produce record for mineral purchased by him, the Assessing Authority may enter into any place where the mineral is stored and, measure or count it and assess cost of mineral, which shall be recovered from the trader.

**69. Stoppage of mining operations :-**

The Director/Assessing Authority or any other officer authorized by the Director in this behalf may prohibit mining and seize minerals, equipment, tools and vehicles in case the mining operations are being carried out not in accordance with the terms and conditions of the mining lease, quarry licence or short-term-permit granted under these rules or without any lease or permit, irrespective of that such minerals, tools, equipment



and vehicles are lying at site or are in transit.

**70. Service of Notice :-**

- (1) Every notice these rules required to be given to the lessee/licensee shall be given in writing in person or by registered post addressed to him at the address recorded in his lease deed/licence or such other address as the lessee or licensee may from time to time intimate in writing to the concerned authorities having jurisdiction.
- (2) The service of such notices or any adult male member or the family, his agent or any other person purporting to be his agent or any other person maintaining his books of accounts or issuing transport challan or filling by him. An endorsement by postal employee that the lessee licensee or any of the aforesaid persons refused to take the delivery or non-availability or the person at the last known address may be deemed to a prima facie proof of service.

**71. Mining Operation to be under mining lease or licence :-**

No mining lease, quarry licence, short-term-permit or any other permit shall be granted otherwise than in accordance with the provision of these rules and if granted shall be deemed to be nil and void.

**72. Reservation or area for prospecting or mining operations by the Government :-**

When the Government proposes to undertake prospecting or mining operations of any mineral, it shall issue a notification reserving the area in atleast one daily news paper having wide circulation in the State. The notification shall give details of area and the period for which such operations are proposed to be undertaken. Such reservation shall be effective from the date of its entry in the register of mining lease kept under Rule 10.

**73. Status of the grant on the death of applicant for mining lease/quarry licence :-**

- (1) Where an applicant for grant or renewal or mining lease/quarry licence dies before the order granting him a mining lease/quarry licence or its renewal is passed, the application for the grant or renewal of a mining lease/quarry licence

shall be deemed to have been made by his legal representative.

- (2) In case of an applicant in respect of whom an order granting on renewing a mining lease/quarry licence is passed, but who dies before the deed referred to in sub-rule(2) or rule 20 is exacted, the order shall be deemed to have passed in the name of the legal representative of the deceased.

**74. Dead rent or reduction in mining lease area :-**

Notwithstanding anything contained in these rules or in mining lease agreement, if an area of mining lease is reduced in size consequent to part surrender or otherwise, the Competent Authority may on an application proportionately reduce the dead rent of such lease.

**75. (1) Grant of permit for brick earth used for making brick klins :-**

- a) Permit means a permit granted for excavation and removal of specified quantity of brick earth within a specified period and area.
- b) "Duration" means the period for which a permit for excavation and removal of brick earth may be granted which shall not exceed 5 years but minimum period of not less than 1 year.
- c) "Quantity" means the annual quantity of brick earth for which a permit may be granted and shall be calculated on the basis of following formula :-  $AQ = 150 \times W \times N$  where  $AQ$  = Annual Quantity  $W$  = Weight of 1000 standard size 9"x4.5"x3" shall be taken as 3.5 tonnes, 150 is constant,  $N$  = Vertical Column of bricks between outer and inner walls of brick kiln along its width.

**(2) Application for grant of permit :-**

- a) The application for grant of permit for Brick Earth shall be made to the Assessing Authority in Form 16-A.
- b) Every application made under sub-clause-I above shall be accompanied by :-
  - i) A non-refundable fee of Rs.500/-
  - ii) A copy of map covering applied area and a copy of Jamaband from Revenue Officer land availability certificate from the Village Council concerned.
  - iii) A no objection certificate from the village council or Revenue Officer concerned.
  - iv) An attested copy of no due certificate from the concerned Assessing Authority if the applicant holds or held any mineral concession in the

State.

**3) *Separate permit for each Brick Kiln :-***

The holder of a permit shall obtain separate permit for each brick kiln and if it is found that brick earth excavated under the permit issued for one brick kiln is used for another kiln then permit shall be liable to be cancelled with forfeiture of security.

**4) *Authority competent to grant permit :-***

The Assessing Authority concerned having jurisdiction over the area applied for, may grant permit with due approval of the Director in form-16.

**5) *Royalty and payment :-***

The permit holder shall pay royalty on brick earth at the rate for the time being specified in Schedule-I of the Rules, as amended from time to time.

Provided that whenever the rate of royalty is revised, the previous rate shall be applicable in quantity of bricks already dispatched to the brick kiln.

**6) *Made of payment :-***

Royalty of the annual quantity of the permit shall be paid by the permit holder in quarterly installments in advance.

**7) *Interest :-***

Interest on all dues in respect of royalty shall be charged as per Rule 61 of the rules.

**8) *Conditions of the permit :-***

The conditions on which permit may be granted shall be mentioned in the permit.

**9) *Security deposit :-***

- a) An application for a permit shall be required to deposit security, within period of seven days of receipt of consent or the authority competent to grant permit, for the due performance of the terms of the permit at the rate

of 50% of annual quantity of brick earth as per clause (I) (c).

- b) On satisfactory performance of the permit, the security deposit shall be refunded after expiry of the permit or shall be adjusted against the last quarterly installment of royalty or against the security to be deposited in respect of other permit.
- c) Whenever the royalty on Brick Earth is enhanced, the permit holder shall deposit further sum so as to make the total security deposit equal to 50% of the enhanced annual royalty, within 15 days of such enhancement.

**10) *Cancellation of permit :-***

In case of breach or any condition of the permit or any provision of rules, the Assessing Authority concerned may cancel the permit and / or forfeit works or part of the security amount. Such action shall not be taken unless the holder of permit has failed to remedy the breach after serving of 15 days notice.

**76. Power to remove difficulties :**

Any difficulties in the implementation of the rules shall be referred to the Government and the decision of the Government shall be final and binding.

( LALTHARA )

Additional Chief Secretary to the Government of Nagaland.

(Ex-Gazette) No. 52/1000+200/01-03-2005

## **PART - B**

## ( SCHEDULES & FORMS )



Registration No. NE/RN-646

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**THE NAGALAND GAZETTE**  
**EXTRA ORDINARY**  
**PUBLISHED BY AUTHORITY**

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No. 52 Kohima, Tuesday, March 1, 2005, Phalguna 10, 1926 (Saka)

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**SCHEDULE - I**  
**RATE OF ROYALTY.**  
(See rule 19 (1) (b))

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Sl. No.	Name of Mineral	Quality / shape and size of mineral	Rate of royalty Rs. per tonne
1.	Sand Stone	Dimensional stones such as slabs, millstone, flooring & roofing stones etc.	15.00
2	Limestone	Dimensional stone such as flooring, roofing & pillaring stone etc.	20.00
3.	Lime Stone	Suitable for lime making	20.00
4.	Marble, serpentine and other decorative stone	(i) Blocks (Dressed & carved), slabs & tiles & finished products (ii) Irregular blocks having one dimension less than 35cm and second dimension less than 60cm. provided	100.00 60.00
5.	Granite, Diorite and others igneous rock types suitable for sawing &	(i) Blocks including blocks for making tiles (ii) small blocks having no dimension more than 60cm	60.00

	polishing	& used for making tiles.	30.00
6.	Chips & Power making minerals like Marble Dolerite, Serpentine, Rhyolite, Cherr, Lime Stone, Quartzite etc.	Used for making chips and Powder.	20.00
7.	Masonry Stone (sand stone, lime stone, granite rhyolite quartzite schist, phyllites dhandhala etc.)	Used as Khanda, ballast road metal, fetcher, gitty, papera, crusher dust, gravel, jhajhra etc.	10.00
8.	Sand	i. Course sand ii. Fine sand	15.00 10.00
9.	Ordinary Sand		10.00
10.	Lime Kankar,	Dimensional stone used as roofing, flooring etc.	10.00
11.	Phyllite and Schist		10.00
12.	Slate stone		20.00
13.	Ordinary days used for colour washing.		10.00
14.	Brick earth and shale		

	use for special purpose	15.00
15.	Brick Earth	10.00
16.	Fuller's Earth	30.00
17.	Bentonite	40.00
18.	Kyoline	30.00
19.	Other minerals not specified	10% of pits mouth



value.

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**SCHEDULE - II**  
**DEAD RENT ON MINOR MINERALS**  
**See rule (3)**

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Sl. No.	Name of Mineral	Rate of dead rent in Re per ten square metre or part thereof
1	2	3
1.	Dimensional stone :	
	a) Sandstone, Limestone State and other Dimensional stones	15.00
	b) Phyllite and schist	10.00
2.	Mineral used for lime making :	
	a) Limestone and others	10.00
	b) Lime Kankar	10.00
3.	Mineral used for making chips and powders Limestone, Marble, Chert, Serpentine Phylolite, Quartzite and any other rock.	15.00
4.	Mineral used as Block and sawn as slabs and tiles :	
	a) Marble, Serpentine and other rocks	25.00
	b) Granite, Diorite, Rhyolite, Dolerite and other rocks	15.00
5.	Masonry stone and mineral used in construction works such as ballast, road metal, brick earth, murrum, kankar	10.00
6.	Other minerals :	
	a) Fuller's Earth	10.00
	b) Bentonite	15.00
	c) Kyoline	10.00
	d) Ordinary white/yellow/red clays	10.00

1. Dimensional stone :
  - a) Sandstone;
  - b) Limestone;
  - c) Phyllite;
  - d) Slate stone used as dimensional stones.
2. Minerals used as block and sawn as slabs and tiles :
  - a) Marble;
  - b) Dolomite;
  - c) Rhyolite;
  - d) Granite;
  - e) Serpentine;
  - f) Diorite and Dolerite;
  - g) Any other rock used for slabs or tile making
3. Minerals used for lime burning :
  - a) Limestone;
  - b) Dolomite, Limestone;
  - c) Marble fragment suitable for burning.
4. Minerals used for chips and powder burning :
  - a) Limestone;
  - b) Marble;
  - c) Rhyolite;
  - d) Chert;
  - e) Serpentine;
  - f) Dolomite and other rocks used for similar purpose

5. Minerals used masonry stone, road metals ballast etc.

**FORM NO. 1-A**  
**APPLICATION FOR MINING LEASE:**  
**(See rule 5)**

To,  
The Assessing Authority  
Department of Geology and Mining, Nagaland

Sir,

I/We ..... request you to grant  
me/us mining lease for mineral ..... over an area  
of ..... sq.mts. for a period of ..... years  
under the Nagaland Minor Mineral Concession Rules, 2004.

2. I have deposited Rs. .... as the  
application fee payable under rule 5 vide demand draft/treasury challan No.  
..... dated .....

a) Following are the required particulars :-

1. Name of the applicant
2. Father's Name/Husband's Name
3. Caste
4. Nationality
5. Permanent Address

b) In case the applicant is Firm/Company/Association Society :-

1. Kind of business
2. Place of business
3. Place of registration

4. Nationality of Director/Partners.

**N.B.** Please enclose copied of certificate of Firm's registration, partnership deed, power of attorney, certificate of incorporation, Memorandum and Article of Association and resolution of Board of Director about applying for mining lease.

4.	Details of areas held by the applicant in Nagaland				
S.No.	Name of Division	Mineral for	Extend of	Period of	Location of
		which lease is held	area held	lease from-to	leased area

5. Details of application already submitted/pending/applied for simultaneously.

1. ....
2. ....
3. ....

6. Total area acquired for the mineral applied for .....

.....

7. Category to which the applicant belongs (as specified in rules)  
(Please attach necessary certificate).

8. a) Please enclose plan and description report of the applied area with reference to the nearest permanent feature and showing length and bearing of all the lines.
- b) Please enclosed a copy of map covering the applied area indicating the status of the area applied for

9. Please indicate the distance of the following from the applied area :-

- a) Any important Church, Temple, Mosque or any other place of worship or place of archeological, tank or dam, tourist importances including brurial ground etc. following within 1 km radius of the applied area.

- b) Any river, canal/pucca road/rail passing within 1:00km radius of the applied area.
  - c) Any permanent structure like power line, microwave tower, water reservoir etc. other details required in the connection on demand.
10. Please indicate if the applied area has been notified by the Government or by any local authority of any other public of special purposes, give details.

I/We declare that particulars given above are correct and I/We will furnish any other details required in the connection on demand.

Yours faithfully,

Signature

Name .....

Place ..... Present Address .....

Date .....

Note 1. The information from paras 8(b) to 10 is required to have an idea of the status and the surface of the applied area. The said information shall be furnished within a period of 45 days of the presentation of the application failing which the application shall be liable to be rejected.

Note 2. The restrictions on the grant of mining lease will remain the same as envisaged in

Chapter - II of these rules.

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND**

**FORM NO. 1-B  
APPLICATION FOR RENEWAL OF MINING LEASE  
(See Rule 5)**

To,  
The Assessing Authority  
Department of Geology and Mining, Nagaland

Sir,

I/We ..... request you to grant  
me/us renewal of Mining lease for mineral .....  
over an area of ..... sq.mts. for a period of  
..... years from .....  
to ..... under the Nagaland Minor Mineral Concession Rules,  
2004.

2. I have deposited Rs. .... as the  
application fee payable under rule 5 vide demand draft/treasury challan No.  
..... dated .....

3. Details of areas held by the applicant in Nagaland.

S.No.	Name of Division	Mineral for which lease is held	Extend of area held	Period of lease From	To	Location of lease
1	2	3	4	5	6	7

4. Have you up a mineral based industry for consumption of the mineral. If so, give details of location, annual requirement of minerals and various resources from where raw material is being procured at present including the quality of mineral from the existing lease.

5. Are you intending to set up a mineral based industry in the area and consuming this mineral as raw material. (If so, give particulars of the same)

6. Year wise details of the production and amount of excess royalty/dead rent paid to the department during the existing term (excluding the last year) of the lease.

S.No.	Year	Annual	Quality of mineral	Amount of Excess	Remarks
		dead rent	Raised-Despatched	royalty paid	
1	2	3	4	5	6
					7

I/we declare that particulars given above are correct and I/we will furnish any other details required in this connection on demand.

Yours faithfully,

(Signature .....)

Name .....

Present Address .....

Place : \_\_\_\_\_

Date : \_\_\_\_\_

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND  
FORM NO. 1-C**

**APPLICATION FOR GRANT OF QUARRY LICENCE  
(See Rule 24)**

To,  
The Assessing Authority  
Department of Geology and Mining, Nagaland

Sir,

I/We ..... request you to grant me/us quarry licence for mineral ..... over Plot No. .... in ..... area for a period of ..... years under the Nagaland Minor Mineral Concession Rules 2004.

2. I have deposited Rs. .... as the application fee payable under rule 24 vide demand draft/treasury challan No. .... Receipt No. .... dated .....

3. Following are the required particulars :-

- a) In case the applicant is an individual
  - 1) Father's Name/Husband's Name
  - 2) Caste
  - 3) Occupation
  - 4) Nationality



5) Permanent Address

b) In case the applicant is Firm/Company/Associate Society

- 1) Kind of business
- 2) Place of business
- 3) Place of registration
- 4) Nationality of Directors/Partners

**N.B. :-** Please enclose of certificate of Firm's registrations, partnership deed, power of attorney, certificate of incorporation, Memorandum of Articles and Articles of Association and resolution of Board of Directors about applying for quarry licence.

4.        Details of areas held by the applicant in Nagaland Mining lease or quarry licences

	already held.					
S.No.	Name of Division	Mineral for which lease/quarry licence is held	Extend of area (Give plot Nos of quarry licence)	Period of lease/Quarry Licence	from..... to..	Location of lease Quarry licence
1	2	3	4	5	6	7

4. Details of Lease/Licence applied for simultaneously

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

5. Are you intending to set up a mineral based industry in the area using this mineral as raw material. (If so, give particulars of the same)

I/we declare that particulars given above are correct and I/we will furnished any other details required in this connection on demand.

Yours faithfully,

(Signature .....)

Name .....

Present Address .....

.....

Place : \_\_\_\_\_

Date : \_\_\_\_\_

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND  
FORM NO. 2**

**ACKNOWLEDGE OF APPLICATION FOR  
GRANT / RENEWAL OF MINING LEASE**

**(See Rule 6)**

S.No. \_\_\_\_\_ Dated the \_\_\_\_\_

Received the application with the following enclosures for the mining lease/ renewal  
of mining lease of Shri .....  
no ..... 200 ..... for .....  
hectares of land located in district for mining .....  
mineral / minerals.

Enclosures :-

\_\_\_\_\_  
\_\_\_\_\_

Place \_\_\_\_\_

Date \_\_\_\_\_

Signature & Designation

of receiving officer

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND  
FORM NO. 3**

<b>REGISTER FOR MINING LEASE APPLICATIONS</b>				
		<b>See Rule 10 (1)</b>		
S.No.	Name of applicant with father's husbands name and permanent address	Caste and Occupation	Present Address	Date of Application
1	2	3	4	5

Date of receipt of application 6	Area applied alongwith description 7	Period of lease applied 8	Mineral/mineral(s) applied 9

Order No. & Date of grant/rejection	whether for grant or renewal	Signature of officer	Remarks

10

11

12

13

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND  
FORM NO. 3**

**REGISTER FOR MINING LEASE**

**See Rule 10 (2)**

S.No.	Name of grantee with father's/ husband's name and address	Caste and occupation	Date of receipt of application
1	2	3	4

Area Granted with description	Mineral/Minerals under lease	Order No. & Date of grant / renewal	Period of lease renewal
5	6	7	8

Amount of dead rent original revised	Security deposited	Name of transfer with father's/husband's name & Address	Date of transfer
5	6	7	8

Date of expiry termination/surrender	Date from which area is free for grant	Signature of officer	Remark

13

14

15

16

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND  
FORM NO. 2**

**FORM NO. 5  
MODEL FORM OF MINING LEASE  
(See Rule 20)**

This indenture made on this ..... day of 20..... between the Government of State of Nagaland (hereinafter referred to as the Government which expression shall, where the context to admits, include his successors in office and assigns) of the part, and

1) WHEN THE LESSEE IS AN INDIVIDUAL .....  
..... (Name of person)

2) WHEN THE LESSEES ARE MORE THAN ONE INDIVIDUAL .....  
..... (Name of persons)  
..... of .....  
(Address and occupation) and ..... (name of persons of  
..... (Address and occupatio) and .....  
(Name of persons) of .....(Address  
and occupation) (hereinafter referred to as the 'Lessees' which expression shall, where the context so admits include their respective heirs, executors, administrators, representatives and permitted assigns).

3) WHEN THE LESSEE IS A FIRM .....  
(Name of person) of .....  
(Address and ..... (Name of person) of

..... (Address) and .....

(Name of person) of ..... (Address).

All carrying on business in partnership at (address of the firm .....  
.....) under the name and style of (Name of the Firm)  
..... hereinafter referred to as the 'Lessee' which  
expression shall, when the context so admits, include all the partners of the said firm  
their representatives, heirs, executors, administrators and permitted assigns).

4. **WHEN THE LESSEE IS A REGISTERED COMPANY** .....  
..... (Name of the company)  
a company Registered under ..... (Act under which  
incorporated) and having its registered office at .....  
(address) (hereinafter referred to as the 'Lessee' which expression shall where the  
contexts so admits, include its successors and permitted assigns of the other part.

Whereas the Lessee / Lessee had/have applied to the Government in accordance with  
the Nagaland Minor Mineral Concession Rules, 2004 (hereinafter referred to as the  
said rules) for a mining lease for .....  
in respect of the lands hereinafter described in clause I (b) and has/have deposited with  
the government the sum of Rs. .... as security.

Now, therefore this deed witnesses :-

**1. Demises :**

- a). In consideration of the rent and royalties covenants and agreements hereinafter  
contained and on the part of the Lessee/Lesseees to be paid, observed and performed  
the Government hereby grants and demises upto the Lessee/Lesseees, all these  
mines/beds/veins/seams of (hereinafter referred to as the said minerals) situated,  
lying and being in or under the lands which are referred to hereinafter and subject

of other provisions of this lease.

- b) The area of the said lands is as follows :  
(hereinafter referred to as the said land or the leased area).
- c) The Lessee/Lessees shall hold the premises hereby granted and demised from the date of registration for period ..... year thence next ensuing.

**2. Liberties, powers and privileges to be exercised and enjoyed by the lessee :-**

The following liberties, powers and privileges may be exercised and enjoyed by the Lessee/Lessees subject to the other provisions of this lease :-

- a) To enter upon land and search for, win work etc. Liberty and powers at all times during the terms hereby demised to enter upon the said lands and to search for, mine, bore, dig, drill for, win, work, dress, process, covert, carry away and dispose of the said minerals.
- b) To sink, drive and make pits, shaft and inclines etc. Liberty and power for or in connection with any of the purposes mentioned in this clause to sink, drive, make, maintain and use in the said lands, and pits, shafts, inclines, drifts, levels, waterways, airways and other works and to use, maintain deepen or extend any existing works of the like nature in the said lands.
- c) To bring and use machinery and equipments liberty and power for or in connection with any of the purposes mentioned in this clause to erect, construct, maintain and use on or under the said lands any engines machinery, plant, dressing flour, furnaces, coke ovens, bricks kilns, workshop, store houses, bungalows, god owns, sheds and other building and other works and conveniences of he like nature on



or under the said lands.

- d) To use water from streams etc. Liberty and power for on in connection with any of the purposes mentioned in this clause but subject or the District magistrate to appropriate and use water from any stream, water course, springs, or other source in or upon the said lands and to divert set-up of dam or any such stream or water course and collect or impound any such water and to make, construct and maintain any water course, culverts drains or reservoirs but not so as to deprive any cultivated land, Village, buildings or watering places for a livestock of a reasonable stream or spring provided that the lessee/lessees shall not interfere with the navigation in any navigable stream nor shall divert such stream without previous written permission of the Government.

**3. Restriction as the exercise of the liberties etc. :-**

The liberties powers and privileges granted by clause 2 are subject to the following restrictions and subject to the other provisions of the lease :-

- a) The mining operations within 45 metres of public work etc. The Lessee/Lessees shall not work or carry on or allow to be worked or carried on any mining operations at or to any point within a distance of 45 metres from any railway line except with the previous written permission of the Railway Administration concerned, or from any reservoir, Canal horizontally from the outer toe of the bank or the outer edge of the cutting as the case may be and in case of building horizontally from the plinth thereof.
- b) Explanations for the purpose of this clause :-
  - (i) "Public road" shall mean a road, which has been constructed or artificially

surfaced as distinct from a tract resulting from repeated use.

- 4. Permission for surface operation in a land not already in used :** Before using for surface operation any land which has not already been used for such operations, the Lessee/Lessees shall give to the District Magistrate of the District two calendar months previous notice in writing specifying the situation and the extent of the land proposed to be so used and the purpose for which the same is required and the said land shall not be so used if objection is issued by the District Magistrate within two months after receipt by him of such notice unless the objection so stated shall on reference to the Government be a mulled or waived.

**5. The Lessee/Lessees hereby covenants with the Government as following :-**

- a) Covenants in accordance with Nagaland Minor Mineral Concession Rules 2004. The Lessee/Lessees shall pay royalty on the quantity of the said mineral dispatched form or consumed within the leased area at the rates specified in Schedule-I appended to Nagaland Minor Mineral concession Rules 2004.

Provided that the said rates shall be liable to be revised by the Government and such revision shall apply to a this subject to the condition that the enhancement in the rate of royalty shall not be made more than once during any period of three years.

- b) Surface rent :- The Lessee/Lessees shall pay for the surface area used by him/ them (for the purposes of mining) surface rent equal to the land revenue payable under the Nagaland (Requisition and Acquisition) Act, 1965 or any other law in force to the Land Revenue Department of the State.
- c) Dead rent :- The Lessee/Lessees shall also pay for every year, the yearly dead

rent as determined from time to time;

Provided that the lessee/lessees shall be liable to pay the dead rent or royalty in respect of each mineral, whichever be higher but no both.

- d)    Dump removal charges : The Lessee/Lessee shall pay such amount per year or part thereof to the Government for ecological restoration of mines and quarries in the said area at such time and such rate as may be fixed by the Government from time to time.
  
- e)    To pay compensation for damage and indemnify the Government : The Lessee/ Lessees shall make and pay such reasonable satisfaction and compensation for all damage, injury or disturbance which may be done by him/them in exercise of the powers granted by the lease and shall indemnify the Government against all claims which may be made by third parties in respect of such damage, injury or disturbance.
  - i)    To indemnify against all claims and to pay compensation for infringement of right of third person. The Lessee/Lessees shall make and pay such reasonable satisfaction and compensation as may be assessed for all damage, injury or disturbance which may be done by him/them in exercise or the powers granted by this lease and shall indemnify and keep indemnified fully and completely the State Government against all claims which may be made by any person or persons in respect of any such damage, injury or disturbance and all costs and expenses in connection therewith.
  
  - ii)   If in exercise of any right conferred by this lease the rights of any person are infringed by the occupation or disturbance of the surface or any land; require and quarrying in the area hereby demised and for the purposes subsidiary

thereto Lessee/Lesseees shall pay such compensation for such infringement and the amount or such compensation shall be calculated by the District Magistrate or if his award is not accepted, by the Civil Court, as far as possible, in accordance with the provisions of the Nagaland (Requisition and Acquisition) Act, 1965.

- iii) The Lessee/Lesseees shall not enter on or occupy the surface of any land without the previous sanction of the District magistrate unless the compensation has been determined and tendered to the persons whose right are infringed.
- iv) If the Lessee/Lesseees fail to pay any compensation as provided in this sub-clause, the Collector may recover such compensation from him/them on behalf of the person entitled to it, as if it were an arrear of land revenue.
- f) Not to injure tree :- The Lessee / Lesseees shall not cut or injure any tree in area of his/their lease without the previous sanction in writing of the Competent Authority.
- g) To maintain boundary pillars :- The Lessee/Lesseees shall at his/their own expense erect and at all times maintain and keep in repair boundary pillars and marks according to the demarcation shown in the plan annexed hereto.
- h) Not to erect buildings etc. on certain place :- The Lessee/Lesseees shall not erect building or carry on any surface operation on any public pleasure grounds, places of worship, sacred graves, burial grounds or village sites for houses, place of worship, sacred graves, burial grounds or village sites for houses, public roads or other place which the competent authority may determine as public grounds to

bring within this restriction.

- i) To commence mining operations within three months and carry them on property  
:- The Lessee/Lessees shall commence mining operations within three months from the date of grant of the lease to him/them and thereafter carry on such operations effectively in a proper skilful and workman like manner both as regards to prevention of waste by removal of sufficient overburden, careful storage of waste and drainage and as regards removal of all valuable minerals within the mine.
- j) Accounts :- The Lessee/Lessees shall keep accounts showing the quantity and particulars of all minerals, obtained from the mine, details of mineral sold or dispatched, and the number of persons employed therein and also complete plan of the mine and shall allow any officer of the Department at any time to examine such accounts and plan and shall furnish him with such information and return in respect of aforesaid matter as he may require.
- k) Abiding by Rules :- The Lessee/Lessees shall abide by all existing acts and Rules enforced by the State Government and all such other Acts or rules as may be enforced from time to time in respect of working or the mine and other matters affecting safety, health and convenience of the employees of the Lessee/Lessees or of the public.
- l) To allow facilities to other lessee etc. :- The Lessee/Lessees shall allow exiting and future licences or lease holders of any which is comprised in or adjoins or is approachable by the land held by the Lessee/Lessees, reasonable facilities for access thereto.
- m) To allow entry of officers :- The Lessee/Lessees shall allow any officer of the Department to enter upon the premises in the lease for the purpose of inspecting the same and abide by instructions issued by him from time to time regarding the

conservation and development of minor minerals and other related matters.

- n) Building erected by lessee :- The Lessee/Lessees may erect on the area granted to him/them any building required for bonafide mining purposes and such building shall be the property of the Government after expiry of the lease.
- o) To report accident and discovery of any minerals :- The Lessee/Lessees shall without delay report to the Director, the Assessing Authority or any other Officer authorized on this behalf any, accident which may occur at or in the said premises and also discovery on or within any the land of mines demised by the lease of any minerals whether minor or otherwise not specified in the lease.
- p) Working of newly discovered minerals :- If the Lessee/Lessees intends to work such newly discovered minerals or minerals he/they shall within three months of making report as is mentioned in sub-clause (15) intimated his/their intention to the officer of the Department having jurisdiction over the area and apply licence or mining lease in respect thereof in accordance with the rules regulating the grant of mining concessions for that minerals, but such quarry licence or mining lease shall not be granted as a matter of right.
- q) Not working the newly discovered minerals :- If the lessee/lessees intimates his/their intention not to work the newly discovered minerals or fails to intimate his/their intention to work on it, within a period of three months, then it shall be open to the Government to grant a licence or lease for the working of the same to any other person(s).
- r) Liberty to determine the lease :- The Lessee/Lessees may at any time determine this lease with immediate effect by giving a notice in writing to the State Government or to such officer or authority as the State Government may specify

in this behalf and shall pay all rents; Water rates, royalties, compensation for damages and other moneys which may then be due and payable under the presents to lessor or any other person or persons and shall deliver these presents to Competent Authority and then this lease and the said terms and the liberties. Powers and privileges hereby granted shall absolutely cease and determine but without prejudice to any right or remedy of the lessor in respect of any breach of any of the covenants or agreement contained in its presents.

- s) Cancellation :- The lease shall be liable to be cancelled by the Director if the Lessee/Lesseees ceases to work the mine for a continuous period of six month without obtaining written sanction of the Government.
- t) Pre-emption :- The Government shall have the right to pre-emption at current market rates over all minerals, lying in or upon the lands demised by the lease shall be indemnified by the Lessee/Lesseees against claims of any other party in respect of such minerals.
- u) Consequence of non payment of royalty or rent :- The Government shall determine the lease after serving a notice on the lessee to pay the dues within 15 days from the date of the receipt of notice and forfeit the security amount if the dead rent or royalty or dump removal charges are not paid within days next after the date fixed in these presents. The Government shall have the right at any time after serving the above notice to enter upon the said lands and distrain all or any of the minerals or moveable property therein and shall carry away, detain or order the sale of the property therein and shall carry away, detain or order the sale of the property so distrained or so much of it as will surface for satisfaction of the rent or royalty or dump removal charge and all cross and expenses occasioned by the non-payment thereof.

- v) Consequence of breach of other covenants :- In case of any breach on the part of the Lessee/Lessees of any covenant or condition contained in the lease whether contained in this clause or any clause of this lease, The Government may determine the lease and forfeit the security amount and take possession of the said premises or in the alternative, may impose payment of a penalty not exceeding twice the amount of the annual dead rent from the Lessee/Lessees. Such action shall not be taken unless the Lessee/Lessees has/have failed to remedy the breach after 15 days notice.
  
- (w) Delivery on termination of lease :- On expiry or earlier determination of the lease of the Lessee/Lessees shall deliver up the said premises and all mines (if any) dug in respect of any workings as to which the Government might have sanctioned abandonment.
  
- x) (i) Determination of lease in the public interest :- The Government may determine the lease if the Government consider that the minor minerals under the lease are required for establishing an industry beneficial to the public.  
  
ii) Determination of lease for the aforesaid shall not be valid unless six calendar months in writing has been given by the Government to the Lessee/Lessees. Such notice need not however, be given in case of emergency.

**5. COVENANT OF THE LESSEE :-**

The Lessee/Lessees hereby Covenants Covenant with the Government as follows :-

1. Unless specifically exempted by the State Government, the Lessee/Lessees shall provide and at all time keep at or near the pit-head at which the said minerals shall be brought to bank a properly constructed and efficient weighing machine and shall weight or cause to be weighed there all the said minerals from time to



time brought to bank, sold, exported and also the converted products, and shall at the close of each day cause the total weights of the said minerals, ores and products, raised, sold exported and converted during the previous twenty four hours to be ascertained and entered in the Government at all time during the said term to employ any person or persons to be present at the weighing of the said minerals as aforesaid and to keep accounts thereof and to check the accounts kept by the Lessee/Lessees. The Lessee/Lessees shall give 15 days previous notice in writing to the Assessing authority of every such measuring or weighing in order that he or some officer on his behalf may be present there at.

2. The allow test to weighing machine :- The Lessee/Lessees shall allow any person or person appointed in that behalf by the Government at any time or all times during the said term to examine and test every weighing machine to be provided and kept as aforesaid and the weights used therewith in order to ascertain whether the same respectively are correct and in good repair and order and if upon any such examination or testing any such weighing machine or weight shall be found incorrect or out of order, the Government may require that the same be adjusted, repaired and put in order by and at the expenses or the Lessee/Lessees to the Government on demand, and if upon any such examination of testing as aforesaid any error shall be discovered in any weighing machine or weight to the prejudice of the Government, such error shall be regarded as having existed for three calendar months previous to the discovery thereof or inform the last occasion of so examining and testing the same weighing machine and weights, incase such occasion shall be within such period of three months and the said rent and royalty shall be paid and accounted for accordingly.
3. Not to obstruct working of other minerals :- The Lessee/Lessees will exercise the liberties and powers hereby granted in such a manner as to cause no unnecessary or reasonably avoidable or interruption to the development of any working within

the said lands of any minerals not include in this lease and shall at all time afford to the State Government and to the holders of prospecting licence or mining lease in respect of any such minerals within any minerals within any land adjacent to the said lands at the case may be, reasonable means of access and safe convenient passage upon and across the said lands, to such minerals for purpose of getting, working, developing and carrying away the same provided that the Lessee/Lessees shall receive reasonable compensation for damage or injury which he/they may sustain in consequence of the use of such passage by such lessees or holders of prospecting licences.

4. Forfeiture of property left more than six months after determination of lease :- If on expiration of lease or earlier determination of the lease or after the date from which any surrender by the Lessee of a part of the said lands under the Provision contained in sub-clause (r) or clause 4 of this lease becomes effective, there remain in or upon the said land of the surrendered part or parts there of as the case may be, any engines, machineries, plants, structures, tramways, railways and other work erections land conveyances or other property which are not required by the lessee/lessees with his/their operations in those parts of the said lands they/shall become the property of the Government any may be sold or disposed off, in such manner after a period of 6 months from the date of expiration or earlier determination of the lease the Government may deem fit without liability to pay any compensation.
5. Further covenants of the lessee :- The Lessee/Lessees further covenants/covenant with the Government as follows :-
  - a) Interest :- The Lessee/Lessees shall pay to the Government simple interest at the rate of 12% per annum on all amount outstanding against the Lessee/Lessees under this lease, whether as dead rent, royalty, surface rent or

otherwise.

- b) Keeping mines etc. in good order :- The Lessee/Lessees shall keep throughout the term of his/their all mines, buildings, engines, machineries and other mining plants in good repair and working order.
- c) Taking ballast etc. for leased area only :- The Lessee/Lessees shall take out and used ballast. Rubbles from his/their quarries for his/their bonafide use in the leased area only and shall pay royalty for mineral so used.
- d) Delivery of samples of rocks etc. :- The Lessee/Lessees shall deliver to or permit to be taken by the representative of the Government a sample or sample of all rocks found on mines or raised and all intermediate and finished products sold on intended for sale by the Lessee/Lessees.
- e) Security of pits and shafts and not filling them up :- The Lessee/Lessees shall properly secure pits and shafts and will not without permission on writing of the Assessing Authority concerned willfully close, fill up or choke any mine or shafts.
- f) Setting apart land for public purposes :- The Lessee/Lessees shall when required by the Government so to do, Set apart land for public purpose and Government may occupy the same whenever it thinks necessary of expedient but Government will, so far as is compatible with the objects aforesaid , select the land so as not to interfere with the mining operations or Lessee/ Lessees and will from time to time pay to the Lessee/Lessees such sum of money expended in buying surface rights over any of the lands so set apart and cost of removal of any work carried there on and for any loss or damages caused to the Lessee/Lessees by any interference in the mining operations.

- g) (i) Abstaining from entering occupied land :- The Lessee/Lessees shall abstain from entering on the surface of any occupied Government land or of any private land comprised within the leased area without previously obtaining the consent of the occupant in writing.
- ii) The Lessee/Lessees shall abstain from opening any new quarry or depot in the leased area without the previous sanction of the Assessing authority concerned.
- h) Not to obstruct road etc. :- The Lessee/Lessees shall keep open and in no way obstruct any road path or way by any means whatsoever.
- i) Not to obstruct working of other minerals :- The Lessee/Lessee shall in the event of his/their declining to take a lease, permit the Government or other persons duly authorized by the Government in that behalf to enter into the leased area and to conduct prospecting and mining operations thereon in respect of minerals or other substance other than the mineral granted by the lease but the Government will, so far as is compatible with the objects aforesaid, select the land to be so set apart and appropriated in such a manner as not to interfere with the mining operations of the Lessee/Lessees and will indemnify the Lessee/Lessees for any loss or damage caused to the Lessee by any interference with the mining operations.
- j) To allow free use of tanks, water courses etc., to the public and Government :- The Lessee/Lessees shall abstain from all interference with and allow to the public and the Government the free use of tanks, water courses, places of worship, sacred graves, burial ground and villages sites for houses, which may be existing or may hereafter be set apart or appropriated as herein before provided on the leased area.
- k) Not to use land for other purposes :- The Lessee/Lessees shall not cultivate

or use of the land save for the purposes of the lease.

- l) No to enter upon or commence operations in forest land etc. :- The Lessee/ Lessees shall not enter upon on commence any mining operations in any State Forest or land under special protection comprised in the leased area except after previously obtaining permission in writing of the Competent Officer.
- m) To respect water right and not to injure adjoining property :- The Lessee/ Lessees shall not injure or cause to deteriorate any sources of water, power or water supply and shall not in any other way render any spring of stream of water unfit to be used or do anything to injure adjoining lands, villages or houses.
- n) Removal of stock of minerals on expiry or determination of the lease :- The Lessee/Lessees shall on the termination or earlier determination of the lease remove within 15 days all extracted minerals from the premises of the leased areas. All extracted minerals in the said lands left over indisposed after 15 days of the termination or determination of lease shall be deemed to be the property of the Government.
- o) Service of notice on lessee :- The Lessee/Lessees shall at all times have at the lease a duly accredited Superintendent or Agent to whom all notice may be given and all communications from the officers of the Department or the Government may be delivered. If there be no such Agent or Superintendent on the leased area, the Government shall be at liberty to treat any other person there as such Agent and to serve all notice and other documents upon the said person or in the case of there being no such other person as aforesaid, then by affixing such notice or documents on some

conspicuous portion of the mining block.

- p) Employment of qualified Engineer etc. :- For the purpose of carrying out mining operations in accordance with approved practices.

i) Every holders of mining lease who pays an annual dead rent of or above Rs.50,000/- (Ruppes one lakhs) shall employ a whole time mining Engineer.

ii) Every holder of mining lease who pays annual dead rent of or above Rs.1,00,000/- (Rupees one lakh) shall employed a whole time Mining Engineer.

Provided that Mining Engineer of Junior Engineer (Mining) employed by the lessee shall possess the following qualifications name :-

- 1) Mining Engineer :- A degree in Mining Engineering from any recognized University or a diploma in Mining Engineering or Applied Geology from Indian School of Mines Dhanbad.
- 2) Junior Engineer (Mining) :- Diploma in Mining Engineering from any recognized polytechnic institute or a Degree from any recognized university.
- q) The Lessee shall inform the Government of any change of his immovable property and its value within a period 15 days from such change.

6. Calculation of royalty, assignment of tax recovery of dues :- It is hereby further agreed between the parties hereto as follows :-

- a) The royalty payable hereunder shall be calculated on the quantity dispatched from or consumed within the leased area as per the rates prescribed within

Schedule - I of Nagaland Minor Mineral Concession Rules 2003.

- b) The Lessee/Lesseees shall not assign, sublet or part with the possession of the leased area or any part thereof except in the manner permitted by the 16 of the said rules.
  - c) Without prejudice to any other mode of recovery under any provision of this lease or any law, all amounts falling due hereunder against the Lessee/Lesseees may be recovered as arrears of land revenue under the law in force for such recovery.
  - d) The Lessee/Lesseees shall duly and regularly pay to the Competent authority all taxes, cess and local dues in respect of the leased area, said minerals or the working of the mine.
- 7) If any event the orders of Competent authority are revised or cancelled by the Appellate Authority or by State Government in pursuance of the proceedings under chapter VI of the Nagaland Minor Mineral Concession Rules, 2003, or under any other provision of the said rules, the Lessee/Lesseees shall not be entitled to compensation for any loss sustained by him/them in exercise of the powers and privileges conferred upon him/them by these parents.
- 8) If in any event the orders of the Government or any other officer empowered under these rules are revised, reviewed or cancelled by the Appellate authority or Court of law, the Lessee/Lesseees shall not be entitled to compensation for any loss sustained by the Lessee/Lesseees in exercise of the powers and privileged conferred upon him/them by these presents.
- 9) In the event of the existence of a state emergency (of which existence the Government shall be sole judge and a notification to this effect in the Nagaland

Gazette shall be conclusive proof), the Government shall from time to time and all times, during the said terms have the right (to be exercised by a notice in writing to the Lessee/Lessees forthwith to take possession and control of the works, plant, machinery and premises of the Lessee/Lessees situated on the said lands or meant for use in connection with the said lands or the operations under this lease, during such possession or control and the lessee/Lessees shall confirm to an obey all directions given by or on behalf of the Government regarding the use or employment of such works, plants, premises minerals.

Provided that fair compensation which shall be determine in default of agreement by the Government shall be paid to the Lessee/Lessees for all loss or damage sustained by him/them by reason or in consequence of the exercise of powers conferred by this clause;

Provided also that the exercise of such powers shall determine the said term hereby granted or effect the term and provisions of these presents further than may be necessary to give effect to the provisions of this clause.

10. a) Security and forfeiter thereof :- The Government may forfeit the whole or part of the amount deposited by the Lessee/Lessees as security under this lease in case the Lessee/Lessee commits a breach if any covenant to be performed by the Lessee/Lessees under this lease.
- b) Whenever the said security deposit or any part thereof or any further sum deposited with the Government in replacement thereof shall be forfeited under sub-clause (a) or applied by the Government in satisfaction of any dues of the Government under this lease (which the Government is hereby authorized to do) and the Lessee/Lessees shall immediately deposit with the Government such further sum as may be required.
- c) The rights conferred by this clause shall be without prejudice to the right conferred



on the Government by any other provision of this lease or by any law.

11) Interpretation :- In this lease unless the context otherwise requires :

- a) 'Department' means the Department of Geology & Mining Nagaland.
- b) 'Director' means the Director of the Geology & Mining Nagaland for the timing being and includes any officer lawfully authorized by him to perform any of his functions.
- c) 'Government' includes an officer of the Government to whom any powers of the Government have been for the time being lawfully delegated.

In witness whereof this indenture has been signed by the Lessee/Lessees.

Signed by Lessee/Lessees .....

Any by .....

Witness (1) .....

Witness (2) .....

Signature

By order and on behalf of the  
Government of Nagaland  
(Designation of the Officer)

(Plan with boundary marks of demarcation report to be annexed)

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND**

**FORM NO. 6  
REGISTER FOR APPLICATION FOR QUARRY LICENCE  
( See Rule 25 (1) )**

S.No.	Name of applicant with father's/husbands name and address	Caste and Occupation	Date or receipt of application	Name of the block and plot No. applied
1	2	3	4	5

Size of the plot	Mineral or minerals applied	Order No. and Date of grant/rejection	Signature of the officer	Remarks
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6 7 8 9 10

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND**

**FORM NO. 7  
REGISTER FOR QUARRY LICENCE  
( See Rule 25 (2) )**

Name of the block  
Total No. of quarries  
in the block .....

No. of quarries added by  
extending the block  
1) By order dated .....  
2) .....  
3) .....

S.No.	Quarry No.	Name of the licence with	Caste and occupation	Date of Receipt	Order No. and date
		Father's husband	of the	of grant	

name and address

1	2	3	4	5	6
Details of Subsequent renewal of licence	Amount of security Deposit	Amount of Annual Licence Fee	Date of which licence fee has been paid	Date of expiry / termination	
7	8	9	10	11	

Date of transfer	Name of Transferee with Father's/ Husband's name	Date from which plot	Signature of the officer	Remarks
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12                      13                      14                      15                      16

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND**

**FORM NO. 8  
PROFORMA OF QUARRY LICENCE  
( See Rule 27 (1) )**

1. Name of Licence .....
2. Father's Name/  
Husband's Name .....
3. Address .....
4. Name of block in which  
quarry licence has  
been granted                      Name ..... Village.....  
   Sub-Division .....  
   Dist .....  
   .....
5. Quarry or plot No. ....
6. Name of office of issue .....
7. No. & Date of Order or  
grant of licence .....
8. Period of licence covered  
by initial grant                      From .....  
   To .....

S.No.	Amount deposited	Details about payment of licence fee and period of subsequent renewals		Signature of Assessing
		Challan / cash receipt	Date of deposits	

No.

Authority

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND**

**FORM NO. 9  
REGISTER FOR MINING LEASE GRANTED BY  
AUCTION**

( See Rule 37 )

S.No.	Name & Father's/ Husband's name	Date of auction	Order No. date of grant	Date of execution of lese
	of lessee with address			
1	2	3	4	5

Mineral or minerals	Area granted with description	Amount of security	Period of lease /	Amount of dead rent
under lease		deposit	renewal	original
				revised
6	7	8	9	10

Date of transfer	Name & Father's Husband's name with	Date of expiry / termination/ surrender	Date on which is auction is proposed	Signature of office	Remarks
	address of transferee				

11

12

13

14

15

16

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND**

**FORM NO. 10  
REGISTER FOR MINING LEASE GRANTED BY  
AUCTION  
( See Rule 38 (2) )**

This indenture made this ..... day of ..... 20 ..... between the Governor of the State of Nagaland (hereinafter referred to as “The State Government” which expression shall where the context so admits, be deemed to include his successors in officer and assigns) of the one part and ..... (hereinafter referred to as “the contractor” which expression where the context so admits be deemed to include his hires, executors, administrators, representative, and permitted assigns) of the other part.

Where as the contractor has offered a bid for grant of royalty collection contract for ..... (mineral) excavated and removed from the quarries situated near ..... (village) in an area ..... dimension/revenue boundary ..... Sub-Division ..... (District)

And, whereas the said bid has been accepted by the State Government and the contractor had paid Rs. .... for first quarter/year of the contract and has under taken to pay the remaining amount of Rs. .... in quarterly/annual installments. Payable on first day of the short term permit holder shall enjoy the right of mining on payment of royalty to the contractor at the rates specified in the First Schedule to the Nagaland Minor Mineral Concession Rules, 2004.

And whereas the contractor has further undertaken to pay increased amount of contract

money in proportion to the enhancement in the rate of royalty due to amendment in the First Schedule to the Nagaland minor Mineral Concession Rules, 2004 for the remaining period of the contract from the date of such enhancement alongwith the quarterly/annual instalment payable as above.

And whereas the contractor has paid a security of Rs. ....  
for the fulfillment of the terms and covenants hereinafter mentioned; Now; these Presents witness as follows :-

- 1) The State Government hereby grants to the contractor authority to collect royalty from holders of quarry licence or short term permit holders or from persons carrying or removing ..... (name of mineral) excavated from the quarries of such quarry holders, royalty on ..... (Mineral) despatched from the area under this agreement at the rates specified in the First Schedule of the Nagaland Minor Mineral Concession Rules 2004.
- 2) The agreement shall remain in force for a period of ..... commencing from ..... (date).
- 3) The contractor shall collect the royalty at the quarry mouth and if the royalty is not collected at the quarry mouth then at any other place near the quarry provided that such place is fixed after prior approval in writing from Director/Assessing Authority.
- 4) The contractor shall issue printed receipt for the amount of royalty collected for every despatch of the said mineral and shall record time and date of despatch on the receipt and shall retain a counterfoil with him. The Contractor shall be liable to produce such counterfoil for examination as and when required by Mining Engineer / Assistant Mining Engineer having jurisdiction over the area.
- 5) In case the mineral specified above is used by the State Government Department themselves and not through the agency of contractors, contractor shall not charge and royalty from such department, if the mineral is excavated from lands other

than working pit for a lessee or licence.

- 6) The contractor shall not transfer the contract as a whole and shall also not grant any sub-contract to or in the name of any other person.
- 7) The Contractor shall not have any other right regarding quarries in the contract area except realization of royalty at the scheduled rates on behalf of the State Government.
- 8) The Contractor shall abide by the other and instructions issued by the Government or any officer of the Department in accordance with the provisions of the Nagaland Minor Mineral Concession Rules, 2004 and shall also by all other terms and conditions under the Nagaland Minor Concession Rules, 2004 regarding royalty collection contract not herein specified.
- 9) The royalty shall be collected on the minor minerals excavated and despatched during the contract period and not on minor minerals brought from outside the area for which this contract is given.
- 10) In case of default in the due observance of the terms and conditions of the contract. The contract may be terminated by competent authority by giving 15 days notice with forfeiture of security deposit as also the installment paid in advance, if any.
- 11) The Contractor shall make his own arrangements for collection of royalty and the state Government does not take any responsibility if any quarry holder refuses to pay royalty to him, but if a complaint is made by him in this respect, the same may be considered for taking action under Nagaland Minor Minerals Concession Rules, 2004.
- 12) The Contractor shall pay the installment of contract money according to the



stipulations laid down in the contract, and if any amount is not paid on due date it shall be collected as an arrear of land revenue and an interest @ 20% will be charged irrespective of any other action being taken for cancellation of contract or imposition of penalty under relevant rules.

- 12) The Contractor shall pay the installment of contract money according to the stipulations laid down in the contract, and if any amount is not paid on due date it shall be collected as an arrear of land revenue and an interest @ 20% will be charged irrespective of any other action being taken for cancellation of contract or imposition of penalty under relevant rules.
- 13) The contract may be terminated by the State Government if considered buy it t be in public interest, by giving 15 days notice.
- 14) The security deposited for due observance of the contract shall be refundable after the expiry of the contract or earlier determination in public interest.

In witness where or parties have appended their signatures of these parents.

Signed on behalf of the  
Governor of State of Nagaland

.....  
(Designation of the officer)

( Signature of the Contractor )

Date : .....

Witness :

1.

2.

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND**

**FORM NO. 11  
ANNUAL RETURNS FOR ASSESSMENT OF ROYALTY FOR MINING  
LEASE  
( See Rule 39 (2) )**

Name of lessee ..... Name of Mine .....  
Period of lease ..... Sub-Div. ....  
..... Dist. ....  
Annual dead rent ..... Name of Mineral .....

Period of assessment .....

S.No.	Month of period	Opening stock of mineral	Production	Total used	Quantity/Sold used despatch
1	2	3	4	5	6
	Balance of closing stock		Total No. of working days	Total	Average no. of labourers
				Men	Women
	7		8	9	10

- i) Rate of royalty Rs. .... tonnes  
ii) Total amount of royalty Rs. ....  
iii) Less dead rent or royalty already paid Rs. ....  
iv) Excess royalty payable Rs. ....

Date .....

Signature of the lease holder

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND**

**FORM NO. 11 A  
MONTHLY STATISTICAL RETURNS FOR ROYALTY  
( See Rule 39 (2) )**

Name of lessee ..... Month .....

Name of Mine ..... Period of lease .....


S.No.	Opening stock of mineral	Production	Total
1	2	3	4

Quantity despatched			
Purpose	Quantity	Transport Challan	Closing
		No. of date	Balance
5	6	7	8

Average No. of workers	working days	Quantity of over burden removed	Remarks
9	10	11	12

Date :

Signature

GOVERNMENT OF NAGALAND

DEPARTMENT OF GEOLOGY AND MINING : NAGALAND, DIMAPUR

FORM NO. 11 B

Production, Despatch & Stock Register

( See Rule 19 (9) (a) )

..... Mines

Month, 200

S.No.	Date	No. of persons employed	Opening stock	Production	Total	Approximate Quantity of mineral despatched	Sale Price per tonne (gradewise)
1	2	3	4	5	6	7	8
Approximate stock balance	Actual despatch	Closing Stock	(Transport Challan No.)	Vehicle No.	Remarks		
9	10	11	12	13	14		

Total of full month

Signature of Lessee

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND**

**FORM NO. 12  
MONTHLY STATISTICAL RETURNS FOR ROYALTY  
( See Rule 19 (9) (c) )**

Book No. ....

Sl.No. ....

Dated .....

Name of the/short term permit holder .....

Name of location of the mines .....

Name of mineral .....

Quality of mineral .....

Place where mineral is being sent .....

Name of person/party to whom mineral is being dispatched .....

Mode of transport ..... Vehicle No. ....

Weight/Volume of mineral .....

Page No. of the Challan Register' at which Challan has been entered .....

Time of dispatch .....

Signature of the driver .....

Signature of mine owner / Manager

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND**

**FORM NO. 13  
MODEL FORM OF NOTICE FOR REASSESSMENT OF ROYALTY  
( See Rule 42 (1) )**

From : The Assessing Authority  
Department of Geology & Mining, Nagaland

To, .....

Sub :- Notice for re-assessment of royalty in respect of mining lease granted for mineral near village .....  
Sub-division ..... District .....

Please refer to this office letter No. .... dated .....  
vide which the assessment of royalty for the assessment year ..... in respect of your lease mentioned above, was made & conveyed to under rule 42 (1) of the Nagaland Minor Mineral Concession Rules, 2004 and you are therefore, advised to please man yourself present in the office alongwith the records mentioned below within a period of 15 days from the receipt of this letter.

In case you fail to be present and produce records, the assessment shall be made in your absence as per rule 42 (1) of the Nagaland Minor Mineral Concession Rules, 2004 and the balance amount, if any shall be recovered under Nagaland Land Revenue Act and action will be taken as per clause 5 (10) (a) of the lease agreement under the Nagaland Minor Mineral Concession Rules, 2004.

RECORDS TO BE PRODUCED	
1. Production Register,	6. Bill Book
2. Stock Register,	7. Labour Payment Register
3. Transport Challan Book	8. Cash Book and other records connected with the mining lease
4. Weighment slips,	9. Any other records or document, which is sought to be produced.

Assessing Authority

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND**

**FORM NO. 14  
(To be submitted in duplicate)  
REVISION APPLICATION  
( See Rule 48 )**

1.    Name & address of individual(s) / firm or company applying.
2.    Profession of Individual(s) / firm or company.
3.    No. & date of order against which revision is filed (copy attached)
4.    Designation of the authority having passed the said order.
5.    Mineral or minerals for which the revision application is filed.
6.    Details of the area in respect of which the revision application is filed.

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District	Division	Sub-Division	Village
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Total are claimed

(A map or plan of the area (s) to be attached)

7.    Whether application fee of Rs.2000/- has been deposited as prescribed in (sub-rule 2 Rule 48) of the Nagaland Minor Mineral Concession Rules, 2004 if so, Treasury receipt in original to be attached.
8.    Whether the revision application has been filed within 3 months of the order passed by the Competent Authority.

9. If not, the, reasons for not presenting in within the prescribed limit as provided for in provision to sub-rule 1 of Rule 48 of the Nagaland Minor Mineral Concession Rules, 2004.
10. Name and complete address of the party/parties impleaded.
11. Ground of revision.

Yours faithfully,  
Signature and designation of the  
applicant

Place : .....



Date : .....

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND**

**FORM NO. 15  
MODEL FORM FOR TRANSFER OF MINING LEASE  
( See Rule 16 )**

When the transferor is an individual :- The indenture made this .....  
..... days of ..... 20 ..... between .....  
..... (Name of the Person with address and occupation  
(hereinafter referred to as the “transfer or” which expression shall where the context so  
admits be deemed to include his heirs, executors, administrators, representative and permitted  
assigns).

When the transfer or are more than one individual : (Name of the person with address  
and occupation) hereinafter referred to as the “transfer” which expression shall where the  
context so admits be deemed the respective heirs, executor administrators, representative  
and their permitted assigns.

When the transferor is a registered firm .....  
Name and address of all the partners all carrying on business partnership under the firm  
having name and style of ..... (Name of  
(hereinafter referred to as the “transferor” which expression where the context so admits be  
deemed to include all the said partners, their respective heirs, executors, legal representative  
and permitted assigns).

When the transferor is a registered company ..... (Name

of company) a company registered under ..... (Act under which incorporated) and having its registered office at ..... (Address) hereinafter referred to “transferor” which expression shall where the context so admits be deemed to include its successors and permitted assigns of the first part.

**AND**

When the transferee is an individual ..... (Name of the person with address and occupation) hereinafter referred to as the “transferee” which expression shall where the context so admits be deemed to include his heirs, executors, administrator representative and permitted assigns.

When the transferee are more than one individual ..... (Name of the person with address and occupation and ..... Name of the person with address with address and occupation. Hereinafter referred to as the “transferor” which expression shall where the context so admits be deemed to include their respective heirs, executors, administrators, representatives and their permitted assigns.

When the transferee is registered company ..... (Name of company) a company registered under (Act under which incorporated) and having its registered office at ..... (address) (hereinafter referred to as the “transferee” which expression shall where the context so admits be deemed to include its successors and permitted assigns) of the second part.

**AND**

The Government of ..... (hereinafter referred to as the “State Government” which expression shall where the context so admits to be

deemed to include the successors and assigns of the third part.

Whereas by virtue of an indenture of lease dated the .....  
And Registered as on ..... (Date) in the office of the Sub-Registrar  
of ..... (Place) (hereinafter referred to as lease) the original whereof  
is attached hereto an marked 'A' entered into between the State Government (therein called  
the lessor) and the transferor (therein called the lessee), the transferor is entitled to search  
for, win and work the mines and minerals in respect of .....  
(Name of minerals) in the lands described in the Schedule thereto and also in Schedule  
annexed hereto for the terms and subject to the payment of the rent and royalties and  
observance and observance and performance of the lessee's covenant and conditions in the  
said deed of lease reserved and contained including covenant not to assign the lease or any  
interest there under without the previous sanction of the State Government.

And whereas the transferor is now desirous of transferring and assigning the lease to  
the transferee and the State Government has at the request of transferor, granted (with the  
prior approval of the Central Government) Permission to the transferor vide order No.  
..... dated ..... to .....  
such a transfer and assignment is and containing the terms and conditions hereinafter set  
forth.

Now this Deed witnesses as follows :

1. In the consideration of Rs. .... paid by the transferee to the  
transferor the receipt of which the transferor hereby acknowledge, the transferor  
hereby conveys, assigns and transfers into the transferee all the rights and  
obligations under the said herein before recited lease and to hold the same upto  
the transferee with effect from .....  
for the unexpired period of the said lease.

2. The transferee hereby covenants with the State Government that from and after the transfer and assignment of the lease the transferee shall be bound by and be liable to perform, observe and confirm and be subject to all provisions of all the covenants, stipulations and conditions contained in said hereinbefore recited lease in the same manner in all respects as if the lease had been granted to the transferee as the lessee thereof and he had originally executed it as such.
3. It is further hereby agreed and declared by the transferor of the other part that :-
  - i) The transferor and the transferee declare that they have ensured that the mineral rights over the area for which the mining lease is being transferred vest to the State Government.
  - ii) The transferor hereby declares that he has not assigned, subject, mortgaged or in any other manner transferred the mining lease now being transferred and that no other persons has any right, title or interest whereunder in the present mining lease being transferred.
  - iii) The transferor further declares that he has not entered into or made any agreement, contract or understanding whereby he has been or is being directly or indirectly financed to a substantial extent by or under which the transferor's operation or understandings where or are being substantially controlled by any persons or body of persons other than the transferor.
  - iv) The transferor further declares that he has furnished in affidavit along with his application for transfer of the present mining lease specifying therein the amount that he has already taken/proposes to take as consideration from the transferee.
  - v) The transferee further declares that he is financially capable of and will directly

undertake mining operations.

- vi) The transferor has supplied to the transferee the original/or certified copies of all plans of abandoned workings in the area and in belt 6 metres wide surroundings it.
- vii) The transferee hereby further declares that as a consequence of this transfer, the total areas while held by him under minor mineral concessions are not in contravention of rule 11(2) of the Minor Mineral Concession Rules, 2004.
- viii) Transferor has paid all the rent, royalties and other dues towards Government till this date in respect of this lease.

In witness whereof the parties hereto have signed on the date and year first above written.

Signed on behalf of  
the Governor or State of  
Nagaland

.....  
Signature of the transferor (Designation)

.....  
Signature of the transferee

Date .....

Witness :

1.

2.

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND**

**FORM NO. 16  
MODEL FORM FOR PERMIT OF BRICK EARTH**

Where Shri/Smt ..... resident of/having its office at ..... has/have applied for grant of permit to excavate..... tonnes of brick earth per annum for a period of ..... year(s) from the land measuring ..... hectares and bearing Patta No. .... in village/town ..... Sub-division ..... district under the Nagaland Minor mineral rules 2004.

And whereas the applicant has deposited Rs. .... as first instalment of royalty for brick earth and also deposited Rs. .... as security amount.

And whereas it has been considered appropriate to grant permit and the same is granted for excavation of ..... tones of brick earth per annum from the aforesaid area subject to the following conditions :

1. The permit shall be valid for a period of ..... year(s) with effect from .....
2. The royalty of the annual quantity of the permit shall be paid by the permit holder in quarterly installment in advance, in the following manner :-
  - a) Second installment Rs. .... payable on .....
  - b) Third installment Rs. .... payable on .....
  - c) Fourth installment Rs. .... payable on .....
3. Interest on all dues in respect of royalty shall be charged as per rule 61 of the rules.

4. The holder of the permit shall not erect, set up any building on the aforesaid area, and shall also not carry any surface operations in or upon any public pleasure ground, any place of worship, church, temple, mosque or cremation or burial ground, place held sacred by any class of persons or any house or village site, public road or any other place which the Government may determine as public ground or national monument or in such a manner as to injure or prejudicially affect any building, works, property or rights of other persons.
5. The holder of the permit shall keep the Government indemnified from any third party claim and shall such claim on his own accord as soon as it arises.
6. The holder of the permit shall allow the officer of the Department to enter the area wherefrom brick earth is excavated, moulded dried and also where the bricks are manufactured and keep in stock and at all places where the records in respect of excavation, manufacture and also of brick are kept, to inspect the working and examine the accounts.
7. The holder or permit shall pay royalty and other dues contained in the Nagaland Minor Mineral Concession Rules, 2004.
8. The holder of permit shall abide by the Acts and Rules enforced by the Government of Nagaland or all instructions issued by the Mining Engineer concerned in respect of working of the mines and other matters affecting, health convenience and facilities of the employees of the permit holder or to the public.
9. In case of any breach of any conditions of the permit or of any of the provisions of rules of the part of the holder of permit, the Assessing Authority concerned may cancelled the permit and/or forfeit whole or part of the security amount. Such action shall, however, not be taken unless the holder of permit has failed to remedy the breach after serving 15 days notice.

Assessing Authority

Directorate of Geology and Mining, Nagaland

**GOVERNMENT OF NAGALAND  
DEPARTMENT OF GEOLOGY AND MINING  
NAGALAND**

**FORM NO. 16-A  
(See Rule 75(b) (i) )**

To,  
The Assessing Authority  
Department of Geology and Mining, Nagaland

Sir,

I/We ..... request you to grant me/us a permit to  
excavate and remove brick earth from an area .....

Hectares for a period of ..... year (s).

2. Following are the required particulars :-

- a) Name of the applicant :
- b) Address :
- c) Location of the Kiln :
- d) Patta No. .... :
- e) Village / Town :
- f) Width of brick Kiln :

Minimum distance between  
Inner and outer walls of the  
Vessel of the kiln along its width

3. No. of vertical columns :  
(Vertical columns of bricks which  
May be accommodated between  
inner and outer walls of kiln along  
its width)



4.     Location of the area applied for     :
5.     Annual quantity of bricks earth  
for which permit is required (in tones)     :
6.     Necessary fee and documents     :
- a).   Fee of Rs. .... deposited vide demand draft/Treasury receipt No./  
            Challan No. .... dated .....
- b).   Consent of owner of land of excavating brick earth, where the land does not  
            belong to the applicant.
- c).   Affidavit stating the details of the land for which permit is required.
- d).   A certified copy of map and jamabandi/land availability certificate of the land  
            applied for.
- e).   Copy of partnership deed/required certificates of companies (memorandum of  
            Articles of association.
- f).   No dues certificate from Assessing Authority concerned and affidavit that no  
            dues are outstanding except those recovery of which has been stayed by a court.
- g).   Affidavit that no dues are outstanding against any member of the family or  
            against the firm of which the applicant is or was a partner.
- h).   I/We declare that particulars given above are correct and I/we shall furnish any  
            other details required from me/us in this connection.

Yours faithfully

Signature

Name .....

Address.....

Place : .....

Date : .....

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