# OFFICE OF THE COLLECTOR AND DISTRICT MAGISTRATE, KALAHANDI

Letter No.XIII-12/2022- 196 /Touzi, Date: 10.05.2022

To,

The All Tahasildars of Kalahandi District.

Sub: Fixation of Minimum Guaranteed Quantity and Additional charges of Minor Minerals.

Sir/Madam,

In inviting a reference to the subject cited above, I am to say that utmost care should be taken while fixation of Minimum Guaranteed Quantity and Additional charges of Minor Minerals. In this regard Govt. has instructed and issued different Circulars, including OMMC (Amendment) Rules 2022 where the detail procedures are reflected. So you are directed to fix the Minimum Guaranteed Quantity and Additional charges by following due procedures and submit the Case Record for scrutiny of Committee and its approval by Controlling Authority (Collector) for further action at your level. So, no carelessness and casual manner be made while determining the Minimum Guaranteed Quantity and Additional charges. Violation of the instruction will leads audit recovery/ departmental proceeding in future.

This is for favour of your information & necessary action.

Yours faithfully,

10.5.22

Addl. District Magistrate,
Kalahandi

Encl.:

01 Letter No.21133/R&DM, dt.1.7.2022 of Principal Secy., R&DM(DM) Deptt., Odisha

02 Letter No.30986/R&DM, dt.14.10.2019 of Addl. Secy. To Govt., R&DM(DM) Deptt., Odisha

03 Letter No.11111/R&DM, dt.07.04.2021 of ACS, R&DM(DM) Deptt., Odisha

04 Gazette Notification No.2937 dt.31.03.22 of Steel & Mines Deptt. On OMMC (Amendment) Rules 2022

Memo No. 197 /Touzi, Dated: 10.05.2022

Copy forwarded to the Sub-Collector, Dharamgarh/Bhawanipatna for information and necessary pursue action.

10.5.22

Addl. District Magistrate,
Kalahandi

Scanned with CamScanner

By e-Mail/FAX

**GOVERNMENT OF ODISHA**
**REVENUE AND DISASTER MANAGEMENT DEPARTMENT**

No. RDM-MMS-PGOT-0061-2020-21132/RDM Date 31 JUL 2020

From

Shri Bishnupada Sethi IAS
Principal Secretary to Govt

To

All Collectors

Sub Fixation of Minimum Guaranteed Quantity (MGQ) of minor minerals

Sir/Madam

This is regarding fixation of the Minimum Guaranteed Quantity (MGQ) of minor minerals for settlement of minor mineral sources. In this context your attention is drawn to Rule 2(p) of the Odisha Minor Mineral Concession Rules, 2016 according to which, Minimum Guaranteed Quantity is in respect of sources for which the mining plan has been approved the quantity of extraction approved for the year concerned as per the mining plan and in respect of sources for which mining plan has not been prepared and approved such extractable quantity as may be assessed by the Competent Authority with approval of the Controlling Authority as the reasonable quantity that may be extracted from the source considering its potential. Three things that come out quite clear from this definition are

(a) it is the quantum of mineral extractable from the source per annum
(b) the factor for consideration in its fixation is the potential of the source and
(c) it is determined by the Competent Authority (Tahasildar in case of non-specified minor minerals occurring within village boundaries) with approval of the Controlling Authority (Collector)

Allegations are being received that MGQ is being lowered to favour the bidders. It is understood that in practice the ROPs are obtaining written intimations from concerned Tahasildars regarding MGQ of minor minerals while preparing mining plans of the sources. In some cases such written intimation is given to ROPs too mechanically without analyzing the source potential, scope of replenishment (in case of sand sources) etc. Even allegedly for a source of greater area and more geological reserve in same Tahasil the MGQ fixed is less than that of a source of less area and geological reserve. Recently an allegation regarding lowering of MGQ in respect of black stone quarry of Koksara Tahasil of Kalahandi district was referred to Collector, Kalahandi who through field verification ascertained that the source has the geological reserve of 07 lakh cum as against which only 2000 cum was the MGQ fixed. Determination of MGQ in so careless and casual manner not

Scanned with CamScanner

only leaves an encouraging scope for illegal lifting/ theft of minor minerals but also causes heavy loss of state revenue since dues payable by the lessee towards security deposit additional charge contribution to DMF EMF in advance are based on MGQ

It is therefore requested that proper care and attention should be given for fixation of MGQ in a rational and reasonable manner following due procedure All Tahasildars may be instructed accordingly Regular review of the matter may be made in the District/ Sub-Division level meetings and during visit of senior officers to Tahasils Any instance of fixation of MGQ without proper examination of the source potential and more particularly lowering it to favour someone at the cost of the State's interest may be reported to this end for necessary disciplinary action against the officer concerned

Yours faithfully,

Principal Secretary to Government

Memo No 21134 /R&DM Date 31 JUL 2020
Copy forwarded to the Secretary Board of Revenue/ All R D Cs for information and necessary action

Deputy Secretary to Government

Memo No 21135 /R&DM Date 31 JUL 2020
Copy forwarded to Additional Secretary to Govt Steel & Mines Department, Bhubaneswar for information

Deputy Secretary to Government

Memo No 21136 /R&DM Date 31 JUL 2020
Copy forwarded to the Director Minor Minerals, Odisha, Bhubaneswar for information & necessary action

Deputy Secretary to Government

Memo No 21137 /R&DM Date 31 JUL 2020
Copy to all Sub Collectors / all Tahasildars for information and necessary action

Deputy Secretary to Government

Scanned with CamScanner

By Fax/ e-Mail

# GOVERNMENT OF ODISHA
## REVENUE AND DISASTER MANAGEMENT DEPARTMENT

*****

No. RDM-MMS-MEET-0009-2019- 3098-6 /R&DM Dated 14 OCT 2019

From

Sri B.B. Das

Additional Secretary to Government

To

All Collectors

Sub: Fixation of additional charge on unit quantity of minor minerals in case of quarry lease granted to Government Organisations and for quarry permits under the provisions of OMMC Rules, 2016.

Madam/Sir,

In inviting a reference to the subject cited above, I am directed to say that Rule 39 of the OMMC Rules 2016 provides for reservation of any area for lease for quarrying operation by government organisations subject to such terms and conditions as may be decided by Government. Sub-Rule-5 of the said rule speaks that the lessee, to whom a lease has been granted under this rule, shall pay to the Government all amounts payable by a lessee under these rules and such additional charges as may be decided by the Government from time to time.

Keeping the above in view, Government, after careful consideration, have been pleased to decide that average of the five highest additional charge bids received during last three to five years for leasing of the same minor mineral sources in the same Tahasil or nearby Tahasil of the same district or nearby district will be taken as the additional charge for lease of minor mineral sources in favour of Govt organisations on nomination basis and also for issue of temporary quarry permits.

Necessary steps may be taken to carry out the above decision and all concerned may be informed accordingly .

Yours faithfully,

14/10/2019

Additional Secretary to Government

Scanned with CamScanner

Memo No. 30987 /RDM Dated 14 OCT 2019

Copy forwarded to Private Secretary to Minister, Revenue & DM / OSD to Chief Secretary, Odisha / Private Secretary to Principal Secretary, Revenue & DM Department for kind information of Hon'ble Minister, Revenue & DM , Chief Secretary and Principal Secretary R&DM respectively .

Additional Secretary to Government.

Memo No. 30988 /RDM Dated 14 OCT 2019

Copy forwarded to Water Resources Department /Agriculture & FE Department/ Forest & Environment Department/ Rural Development Department/ H&UD Department / P R & DW Department/Works Department/ Energy Department/ Co-Operation Department /Fisheries & ARD Department/ S & ME Department for information and necessary action.

Additional Secretary to Government.

Memo No. 30989 /RDM Dated 14 OCT 2019

Copy forwarded to Secretary, Board of Revenue, Odisha, Cuttack / all DCs for information and necessary action.

Additional Secretary to Government

Memo No. 30990 /RDM Dated 14 OCT 2019

Copy forwarded to Joint Secretary to Government (in charge of e-Governance Cell) for information and necessary action with a request to upload the same in the Revenue & DM Department website.

Additional Secretary to Government

Scanned with CamScanner

Satyabrata Sahu, IAS
Additional Chief Secretary

Revenue & Disaster Management Department
Government of Odisha
Lokseva Bhawan, Bhubaneswar-751001

Telephone : + 91 674 - 253 90 23
Fax : + 91 674 - 239 38 32
E_mail : revsec.rd@nic.in / revsec.or@nic.in

No. 11111 / ACS(RDM), Date 07.04.2022

No. RDM-DRTMM-MISC-0002-2020

To

All Collectors

**Sub: Fixation of Minimum Guaranteed Quantity (MGQ) and Additional Charges for Minor Mineral sources.**

Madam/ Sir,

Please refer to this Department letter No. 21133, dated 01.07.2020, wherein the meaning and modalities of fixation of Minimum Guaranteed Quantity (MGQ) have been explained with emphasis on fixation of MGQ in a rational and reasonable manner. Needless to say, MGQ and Additional Charge are two vital components of minor mineral administration for the simple reason of their regulating and revenue earning value. Any element of unreasonableness in their fixation will lead to double hazards of encouraging illegal mining and causing heavy revenue loss to the State. Allegations are being received that when the mineable reserve is much more in a source, MGQ is being lowered to favour the selected bidder since on the basis of MGQ all dues payable to Govt. are assessed. In actual operation, illegal mining is being made in excess of the fixed MGQ. Such mining of minor mineral, mostly in an unscientific manner causes environmental degradation.

Additional charge is the base price on which auction for lease of a minor mineral source is conducted. OMMC Rules, 2016 stipulates the lowermost limit of it as not less than five percent of the rate of royalty. Competitiveness in a bidding is greatly influenced by the level of base price. It is alleged very often that additional charge is being so fixed to encourage low competitive limit to favour the bidders at the cost of revenue interest of the State. There are even instances of notable difference between additional charges of two different sand sources situated opposite to each other in a particular river when the quality of sand remains almost the same. Similar is the case of other category of minerals. To do away with heterogeneity in additional charge fixation it is suggested that factors like additional charge executed during last term of lease of the source, if any, quality of mineral available, scope of marketability, additional charge fixed/ executed for similar sources in the vicinity in the same Tahasil or nearby Tahasil or same district or nearby district may be taken into consideration.

Scanned with CamScanner

MGQ and Additional Charge in respect of non-specified minor minerals occurring within village boundaries are fixed by the Competent Authority (Tahasildar) subject to the approval of the Controlling Authority (Collector). To bring about more accuracy and perfection in their fixation, scrutiny of the proposals with reference to the governing factors is essential. To have proper scrutiny of the proposals a district level committee as below will render advisory assistance to the Collector.

| | |
|---|---|
| 1. Additional District Magistrate looking after minor mineral administration | Chairman |
| 2. Divisional Forest Officer (T) | Member |
| 3. Executive Engineer, Water Resources | Member |
| 4. Executive Engineer, R&B | Member |
| 5. Joint/Deputy Director, Geology or Mining Officers in position in the district | Member |
| 6. Regional Officer, SPCB under whose jurisdiction the district comes | Member |
| 7. Geologist of the Collectorate (Where in position) | Member |
| 8. Deputy Collector looking after Minor Minerals | Member Convenor |

It is, therefore, requested that proper care should be taken for fixation of MGQ and Additional Charge following due procedure.

Yours faithfully,

7/4/2022

Additional Chief Secretary to Government

Memo. No.1112 /R&DM Dated: 07 APR 2022

Copy forwarded to Secretary, Board of Revenue/all RDCs for information and necessary action.

Joint Secretary to Government

7/4/22

Memo. No.1113 /R&DM Dated: 07 APR 2022

Copy forwarded to Forest, Environment and Climate Change Deptt./ Steel & Mines Deptt./ Water Resources Deptt./ Works Deptt. for information and necessary action.

Joint Secretary to Government

7/4/22

Memo. No.1114 /R&DM Dated: 07 APR 2022

Copy forwarded to Director, Minor Minerals for information and necessary action.

Joint Secretary to Government

7/4/22

Memo. No.1115 /R&DM Dated: 07 APR 2022

Copy forwarded to all Sub-collectors/all Tahasildars for information and necessary action.

Joint Secretary to Government

7/4/22

Scanned with CamScanner

# The Odisha Gazette

EXTRAORDINARY
PUBLISHED BY AUTHORITY

No. 623 CUTTACK, THURSDAY, MARCH 31, 2022/ CHAITRA 10, 1944


## STEEL & MINES DEPARTMENT

NOTIFICATION

The 31st March, 2022

No.2937—SM-MC2-SMP-0002/2021/SM.— In exercise of the powers conferred by sub-section (1) of Section 15 of the Mines and Minerals (Development and Regulation) Act., 1957 (67 of 1957), the State Government do hereby make the following rules further to amend the Odisha Minor Mineral Concession Rules, 2016, namely:—

**1.** (1) These rules may be called the Odisha Minor Mineral Concession (Amendment) Rules, 2022.

(2) They shall come into force on the date of their publication in the *Odisha Gazette*.

**2.** In the Odisha Minor Mineral Concession Rules, 2016, (hereinafter referred to as the said rules), in rule 16,—

(i) for sub-rule (3) excluding *Explanation*, the following sub-rule shall be substituted, namely :—

(3) The applicant having a net worth of less than one percentum of the value of estimated mineral resources shall not be eligible for participating in the auction process for grant of a mining lease:

Provided that, the net worth requirement shall not exceed fifty crore rupees.

(ii) for sub-rule(10), the following sub-rule shall be substituted, namely :—

"(10) The selected bidder shall, convey his acceptance of the terms and conditions within fifteen days of such intimation and deposit a sum equivalent to zero point two five percentum (0.25) of the value of estimated mineral

Scanned with CamScanner

resources, subject to a maximum of ten crore rupees, towards part of security deposit and such deposit along with the earnest money, shall be held as, interest-free security deposit for due observance of the terms and conditions of the mining lease."

**3.** In the said rules, in rule 27, in sub-rule (4), for clause (iv), the following shall be substituted, namely :-

"(iv) Income Tax Return of previous financial year showing annual income for an amount not less than the amount of additional charge offered and the royalty payable for the minimum guaranteed quantity for one whole year or Bank guarantee valid for a period of eighteen months for the amount not less than the amount as above."

**4.** In the said rules, in rule 35, –

(i)in sub-rule (1), after the words "Schedule-II" and before the words "and compensatory afforestation " the following comma and words shall be inserted, namely :–

", additional charge"

(ii) after sub-rule (2), the following sub-rule shall be inserted, namely :–

"(3) The Additional charge provided under sub-rule (1) will be the average of highest bid price received and executed in respect of five nearest sources of the same minor mineral during last three to five years in the same Tahasil or nearby Tahasil of the same District or of the nearby District :

**5.** In the said rules, for rule 36, the following rule shall be substituted by namely: –

"**36. Duration of quarry permit** .– The period of quarry permit shall be as per the project period and shall be usually for three (3) months which can be extended up to one year or more by the competent authority not exceeding the project period relating to which the permit has been granted. In case of extension of the project period the permit can be re-issued by the Competent Authority for the extended period."

Scanned with CamScanner

**6.** In the said rules, in rule 45, in sub-rule (1), for the words and comma "lease has been granted through auction", the words and comma "lease has been granted", shall be substituted.

By Order of the Governor
DEORANJAN KUMAR SINGH
Principal Secretary to Government

Printed and Published by the Director, Printing, Stationery and Publication, Odisha, Cuttack-10
OGP/SBP Ex.Gaz.2237-183+10

Scanned with CamScanner