GOVERNMENT OF ANDHRA PRADESH <u>ABSTRACT</u>

Mines & Minerals – Amendment to A.P.Minor Mineral Concession Rules, 1966 – Reduction in the rate of Seigniorage Fee in respect of Limestone Slabs (Black) - Orders Issued.

INDUSTRIES & COMMERCE (M-II) DEPARTMENT

G.O.MS.No. 156

Dated: 03-11-2016
Read the following:

1) G.O.Ms.No. 1172, Ind. & Com. Dept., Dt.04.09.1967.

- 2) G.O.Ms.No. 100, Ind. & Com. (M-II) Dept., Dt. 31.10.2015.
- 3) From the DM&G, GoAP., File bearing C.No.7598/MR/2014, under SFS, Dt. 01.08.2016.

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ORDER:

In the G.O 2nd read above, orders were issued fixing the rate of Seigniorage Fee and Dead Rent for the 17 minor minerals mentioned therein by amending the Schedules I and II of the rule 10 of the Andhra Pradesh Minor Mineral Concession Rules, 1966 issued in the G.O.Ms.No.1172, Ind. & Com. Dept., Dt.04.09.1967. In the said G.O, under Column No. 15 (iii) of Schedule-I, the rate of Seigniorage Fee for the Limestone Slabs (Black) was fixed at Rs.8/- per Sq. Mtr. or Rs.100 MT., whichever is higher, among others.

- 2. In the reference 3rd read above, the Director of Mines and Geology, Government of Andhra Pradesh has stated that the DMF is uniformly fixed for all minor minerals as 30% and however, in certain minerals like Napa Slabs / Sand or such minerals, which are consumed by poor people, need to be reconsidered in terms of Seigniorage Fee/ District Mineral Fund as the sand is being imposed zero Seigniorage Fee and District Mineral Fund. The Napa Slabs are also being used in construction as floor tiles by poor people in villages and hence the Seigniorage Fee and District Mineral Foundation be reduced in respect of Napa Slabs.
- 3. The Director of Mines and Geology, Government of Andhra Pradesh has further stated that due to availability of ceramic tiles at cheaper rates, even villages are also swamped with cheaper ceramic tiles causing loss of market for these Napa Slabs and since more than 3000 families (about 1.5 lakh population) are directly depending in mining of Napa Slabs, it is appropriate to revise the Seigniorage Fee/ District Mineral Fund for Napa Slabs.
- 4. The Director of Mines and Geology, Government of Andhra Pradesh has further stated that it is a normal experience in any ceramic activity that if taxes are increased beyond a point, illegal activity i.e. mining / transportation without payment of Seigniorage Fee/ District Mineral Fund would become rampant and becomes a challenge to the vigilance wing of Mines Department and that if cases were booked against them, it would lead to closure of these mines causing livelihood problem to the affected people.
- 5. Taking into consideration of the above circumstances, the Director of Mines and Geology has sent a proposal to the Government recommending to reduce the Seigniorage Fee in respect of Napa Slabs from Rs.8/- to Rs.5/- per Sq. Mtr and DMF from 30% to 10%.
- 6. After careful consideration of the matter, the Government hereby decided to reduce the rate of Seigniorage Fee from Rs. 8/- per Sq.Mtr to Rs.5/- per Sq.Mtr in respect of Limestone Slabs (Black), for the sustainability of Black Napa Slab mining industry.
- 7. Accordingly, the following Notification will be published in the Extraordinary issue of the Andhra Pradesh Gazette **dated.03.11.2016**
- 8. This order issues with the concurrence of Finance (FMU-Rev-I&C) Department vide their U.O.No.45027/314/2016, Dt.03.09.2016.

NOTIFICATION

In exercise of the powers conferred by sub-section (1) of section 15 of the Mines & Minerals (Development and Regulation) Act, 1957 (Central Act 67 of 1957), the Governor of Andhra Pradesh hereby makes the following amendment to the Andhra Pradesh Minor Mineral Concession Rules, 1966 issued G.O.Ms.No.1172, Ind. & Com. Dept., Dt.04.09.1967 as amended in G.O.Ms.No.100, Industries and Commerce (M.II) Department, Dt.31.10.2015.

AMENDMENT

In the said rules, under Rule 10 in Schedule-I against, Sl.No.15(iii), Black Limestone Slabes and for corresponding columns (3) and (4), rate of Seigniorage Fee in column (4), the following shall be substituted, namely, -

(iii)	Black	Sq.mtr/Mt	Rs.5 (Five Rupees only) per Sq.Mt

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B. SREEDHAR SECRETARY TO GOVERNMENT (MINES)

To

The Commissioner of Printing, Stationary & Stores Purchase (Ptg. Wing), A.P. (He is requested to publish the above Notification in the Extra-ordinary issue of Andhra Pradesh, and arrange to send 200 copies of the same to Government in Industries & Commerce (M.II) Department).

The Director of Mines & Geology, Government of Andhra Pradesh.

The Vice Chairman & Managing Director, M/s. APMDC Ltd., Hyderabad.

Copy to:

All the District Collectors in the State.

The JDM&G/DDM&G/ADM&Gs through DM&G, GoAP., Hyderabad .

The Secretary to Govt. of India, Ministry of Mines, New Delhi.

The P.S to Secretary to C.M.

The P.S. to M(M&G).

The P.S to Secretary (Mines)

Sf/Sc Sf/Sc (C.No.9156/M.II/2016)

//FORWARDED :: BY ORDER//

SECTION OFFICER