

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Mines & Minerals - Amendments to the Rules 10, 12 & 34 of the Andhra Pradesh
Minor Mineral Concession Rules, 1966 – Notification – Issued.

INDUSTRIES & COMMERCE (MINES-III) DEPARTMENT

G.O.MS.No.63

Dated: 02.08.2021
Read the following:-

1. G.O.Ms.No.1172, Industries & Commerce Dept., dated. 04.09.1967
2. G.O.Ms.No. 50, I & C (M.I) Dept., Dt. 17-3-1997.
3. Proceedings No.46870/E1/2012, Dt.14.08.2019 of the DM&G, A.P., Vijayawada.
4. Minutes of Meeting held by the Hon'ble Minister for PR&RD and Mines & Geology on 12.07.2021.
5. From the Director of Mines & Geology, A.P,Lr.No.4702/P/2021, Dt.14.07.2021

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ORDER:

In the letter 5th read above, the Director of Mines & Geology, A.P., Vijayawada, has stated that in order to control the evasion of Seigniorage fee & other charges on minor minerals, the Government of Andhra Pradesh intended to study the system of Seigniorage fee Collection being practiced in certain other States. Accordingly, the Director of Mines & Geology has constituted a team of officers to study this issue. The said team submitted its report and the same have been placed for the consideration of the Government.

2. After considering the study report submitted by the DMG, AP., during review meeting convened by the Hon'ble Minister (M&G) on Mineral Revenue Receipts and policy aspects of Dept of Mines & Geology vide Minutes 4th read above, it is decided to implement the Seigniorage Fee Collection Contract for minor minerals except Sand and Gray Barytes of M/s APMDC Ltd in YSR District, which will be granted initially for a period of 2 years and directed the DMG, Ibrahimpatnam to submit necessary proposals for amendment of APMMC Rules, 1966.

3. Accordingly, the Director of Mines & Geology, Andhra Pradesh, Vijayawada, vide Letter 4th read above, has submitted proposals for outsourcing the right of collection of Seigniorage fee by way of e-Auction and for amendments to Rules 10, 12 and 34 of APMMC Rules, 1966 to the Government for implementation of the Seigniorage Fee Collection Contract for all minor minerals in Andhra Pradesh.

4. Government, after careful examination of the matter, have decided to accept the proposal of the Director of Mines & Geology, A.P., for outsourcing the right of collection of Seigniorage fee through Seigniorage Fee Collection Contract by way of e-Auction and accordingly hereby make the following amendments to Rules 10, 12 & 34 of Andhra Pradesh Minor Mineral Concession Rules, 1966.

5. Accordingly, the following Notification will be published in an Extra-ordinary issue of the Andhra Pradesh Gazette, dated: 02.08.2021.

NOTIFICATION

In exercise of the powers conferred by sub-section (1) of section 15 of the Mines and Minerals (Development and Regulation) Act, 1957 (Central Act 67 of 1957), as amended from time to time, the Governor of Andhra Pradesh hereby makes the following amendment to the Andhra Pradesh Minor Mineral Concession Rules, 1966 issued in G.O.Ms.No.1172, Industries & Commerce (B.I) Department, 4th September, 1967 as subsequently amended.

AMENDMENTS

1. In the said rules,-

I. for rule 10-A, the following shall be substituted, namely:-

"10-A. Districts to be identified by the Director of Mines & Geology for grant of Collection of Seigniorage fee Contract in respect of all Minor Minerals except Sand and Grey Barytes held by M/s APMDC Ltd in YSR District by Electronic-Auction:-

(1) The Director of Mines & Geology, in consultation with Deputy Director of Mines & Geology and Assistant Director of Mines & Geology concerned, shall identify the districts duly specifying the lease areas in each district for giving away the right of collection of Seigniorage fee under a contract in respect of all Minor Minerals except Sand and Grey Barytes held by M/s APMDC Ltd in YSR District through Electronic Auction as per the procedure duly prescribed. The minimum bid amount (or) Reserve price for each of the district shall be fixed for the first time by the Director taking into account the following factors:-

- (i) Highest annual Seigniorage Fee collections excluding dead rent during the last 3 financial years.
- (ii) Estimation of quantities lost in leakages.
- (iii) Percentage of the growth during the last 3 years

Provided that the minimum bid amount (or) Reserve price for the subsequent contract shall be ten percent higher than the preceding annual contract amount and no approval of State Government shall be required in such cases:

Provided further that if no bid is received for two (2) consecutive attempts, prior approval of State Government shall be required to revise the reserve price and other tender criteria with reasons to be recorded in writing.

(2) Notwithstanding anything contained in the sub-rules (1) and (2) of Rule 10, the right of collection of Seigniorage fee for the Minor Minerals shall be given away in Electronic auction for a period of two years subject to

the conditions prescribed in the notice of auction under Rule 10-B, Tender document and in these Rules.

Provided that the period of existing contract may be extended by the Director of Mines and Geology on the same terms and conditions with an increment of ten percent higher than the preceding annual contract amount, with reasons to be recorded in writing for a period up to ninety (90) days and a rider agreement shall be executed before expiry of the original contract by the Deputy Director of Mines and Geology concerned.

Provided further that where it is necessary to further extend the contract period beyond ninety (90) days, the period of contract may be extended by Director of Mines and Geology with the prior approval of the State Government for not more than one (1) year, on the same terms and conditions with an increment of ten percent higher than the preceding annual contract amount, with reasons to be recorded in writing and a rider agreement shall be executed by Deputy Director of Mines and Geology concerned before expiry of the contract period. Beyond the period of one (1) year, no further extension is allowed and new contract shall be awarded through conduct of electronic auction only."

II. for rule 10-B, the following shall be substituted, namely:-

"10-B. Notice of Electronic Auction and Mode of disposal of the District:-

- (1) The Director of Mines & Geology shall issue a notice along with the detailed tender document, giving due publicity before the date of Auction as deemed fit for granting the right of collection of seigniorage fee in the district.
- (2) Tender document fee for participation in Electronic auction shall be 0.25% of the Reserve price fixed for the respective District.
- (3) The amount of Earnest money deposit/bid security shall be ten (10) percent of the reserve price in the form of Bank Guarantee or security deposit.
- (4) The bids submitted for a particular district shall be considered and evaluated exclusively for that district only.
- (5) For the purpose of participating in the auction for grant of right to collect the seigniorage fee in a district, the bidders shall have a minimum net worth of at least 4% of Reserve price if the Reserve price for a district is more than Rupees 100 Crores and at least 3% of reserve price if the reserve price is less than or equal to Rupees 100 Crores.

III. for rule 10-C, the following shall be substituted, namely:-

"10-C. Procedure for e-auction and grant of right to Collect Seigniorage fee contract for identified Mineral Districts:-

- (1) The right of collection of seigniorage fee in a District shall be obtained in two stage forward electronic Auction. The procedure for conduct of e-auction shall be prescribed by the Director of Mines & Geology in the detailed tender document as per rules and procedures in vogue.
- (2) An individual(s) / companies / partnership firms/proprietary concerns intend to participate in e-Auction is entitled to submit tender as outlined in

- the Tender document and similarly a person who submits a tender is entitled to participate in e-auction.
- (3) The Successful Bidder shall be decided solely on the basis of financial bids submitted by the technically qualified bidders as per the procedure laid down in the Tender document.
 - (4) The bidders shall quote, as per the bidding parameters mentioned in the tender document, for the purpose of payment to the State Government, an amount equal to or above the reserve price.
 - (5) The Director may at his own discretion reject any person's tender/bid who,
 - (i) has been convicted for any penal offence or any offence under the Mines and Minerals (Regulation and Development) Act, 1957, or
 - (ii) is a debtor to the Government of Andhra Pradesh or who has mineral revenue arrears to the Mines and Geology Department.
 - (6) The right of collection of seigniorage fee will be ordinarily knocked down to the highest tenderer/bidder, but the right is reserved to the Director of Mines & Geology to reject any tender/bid without assigning any reason thereof. The right of collection of seigniorage fee shall be strictly subject to the confirmation by the Director of Mines & Geology who has the right to refuse, to confirm with reasons recorded.
 - (7) If the successful Bidder dies after the privilege is knocked down, his successors shall have the right and be responsible to execute the agreement and to carry-out the business by remitting the dues to the Government. If the successors do not want to exercise the privilege, they should within fifteen days from the date of death of the successful bidder intimate the Director their intention in writing. The amounts deposited by the deceased Bidder shall be refunded to the legal heirs. In such cases the Director shall issue confirmation to the second highest eligible Bidder provided that the second highest bidder matches the highest knocked down amount.

IV. for rule 10-D, the following shall be substituted, namely:-

"10-D. Confirming Authority:-

- (1) The Director of Mines & Geology shall confirm the knocked down amounts provided he is satisfied with the publicity, procedures, participation in the Electronic Auction and the knocked down amount and issue confirmation orders.
- (2) Upon receipt of order of confirmation, the successful bidder shall furnish security deposit of 10% in the form of Postal Security deposit and performance security of 25% in the form of Bank Guarantee of knocked down amount and first instalment in the manner as prescribed in the confirmation order and execute agreement in Form M with the Deputy Director of Mines & Geology concerned within 15 days from the date of confirmation order.

Provided that Director of Mines & Geology may one-time allow a further period upto 15 days with reasons recorded in writing, subject to filing of request prior to expiry of stipulated period.

Provided further that the Government may allow another further period upto 15 days with reasons recorded in writing, subject to filing of request

through Director of Mines & Geology prior to expiry of stipulated period and payment of interest rate of 24% per annum on the amount of first instalment during the period of 15 days and the extended period of 15 days.

- (3) In the event of default by the first successful Bidder for payment of the first instalment of the knocked down amount as required under sub-rule (2), or completion of formalities for executing the agreement as required under sub-rule (2), the competent authority shall forfeit the amount so far paid by the successful Bidder by way of deposits and the amounts under bank guarantee and may issue Confirmation order in favour of the second highest Bidder duly obtaining the willingness of second highest bidder to match the highest knocked down amount within 3 working days.
- (4) Upon receipt of the willingness from the second highest bidder to match the highest knocked down amount, the Director of Mines & Geology shall issue confirmation orders with due stipulations of time limits for payment of the first instalment of the amount offered by the respective Bidder and discharging the other formalities for making agreement as required under sub-rule (2).

Provided that if the second highest Bidder fails to pay the amounts or complete the formalities as stipulated in the confirmation order, the confirming authority forfeit the amounts so far paid by way of deposits including the Bank Guarantees to the Government and the Director shall issue notice inviting tender for the districts with the same reserve price.

- (5) Interest: The Government shall charge interest or levy penalties on non-fulfilment of payments by the Successful Bidder as detailed in Rule 10 of the Andhra Pradesh Minor Mineral Concession Rules, 1966. The Director shall levy an interest of 24% per annum on the delayed payments up to a period of three (3) months.

V. for rule 10-E, the following shall be substituted, namely:-

"10-E. Deposit of knocked down amount:-

- (1) The knocked down amount shall be paid by contractor in twelve monthly instalments for the first year of the contract period at least seven (7) days before the commencement of the succeeding month.
- (2) The second year knocked down amount shall be increased by ten percent to that of the knocked down amount and shall be paid in twelve monthly instalments.
- (3) The Performance Security and Security Deposit shall be released by the Director after the three months after the expiry of the lease period provided the Contractor fulfils all the contract conditions and other provisions of the Andhra Pradesh Minor Mineral Concession Rules, 1966.
- (4) The Director shall levy an interest of 24% per annum on the delayed payments upto a period of three (3) months.
- (5) In case of late payment of monthly instalments for more than 3 consecutive months, the Director shall issue a show-cause-notice to the Contractor requesting to pay the due amounts within 15 days.

Failing which, the Director may terminate the contract with reasons recorded in writing and the Performance security and Security Deposit paid by the Contractor shall be forfeited.

- (6) In case of non - receipt of monthly instalment for any month, the Contractor's right of collection of Seigniorage fee will be ceased and the Director shall arrange for alternative mechanism for collection of Seigniorage fee. The Director shall issue a show-cause-notice to the Contractor requesting to pay the due amounts within 15 days.

Failing which, the Director may terminate the contract with reasons recorded in writing and the Performance security & Security Deposit paid by the Contractor shall be forfeited.

- (7) In case of termination of a contract, the Seigniorage Fee collection shall be done as per the regular permit system administered under Rule 12 (5)(h) and Rule 34 of APMCM Rules, 1966 until a new contract is duly awarded for the respective district."

VI. for rule 10-F, the following shall be substituted, namely:-

"10-F. Power of the Director to cancel the Auction:-

The Director shall have the power to cancel at any time the Electronic Auction conducted under Rule 10-B and the confirmation issued under Rule 10-D if the Director feels that the publicity, participation and the amounts knocked down are not satisfactory and also due to any other lapses/reasons. "

VII. for rule 10-G, the following shall be substituted, namely:-

"10-G. Liberties and Restrictions for the Bidder

- (1) Liberties of the Bidder:-

The Bidder after executing the agreement in Form M prescribed in Rule 10-D(2) will be at liberty to:

- (i) Collect the Seigniorage fee in force as on the day of notification of the auction notice from the leases existing in the district after the exhaustion of the Dead rent in every quarter paid by the leaseholders.
- (ii) Collect Seigniorage fee for such excess quantity of mineral mentioned in the transit form arrived after weighment after exhaustion of the Dead rent in every quarter paid by the leaseholders.
- (iii) Collect the seigniorage fee from all the new leases granted and executed from the Minor Minerals as specified in Rule 10(A)(1) during the currency of the Contract period.
- (iv) Collect excess seigniorage fee only from such vehicles which are having valid transit passes issued by the lessees. The contractor shall retain second copy of the transit passes with him and shall return first copy after stamping to vehicle owner. The contractor shall deposit second copy of transit passes with second copy of receipt issued by him with monthly statement to the Deputy Director of Mines and Geology or Assistant Director of Mines and Geology concerned.

- (v) Collect seigniorage fee on the dispatch of minor minerals as specified in Rule 10(A)(1) from the area specified in the contract and not on minor minerals brought from outside the contract area or from the major mineral leases.
 - (vi) Bring to the notice of Department of Mines & Geology on the details of vehicles involved in illegal transportation of minerals for taking necessary action.
- (2) Restrictions on the Bidder:- The following restrictions shall be applicable to Contractor: The contractor shall not:
- (i) Collect seigniorage fee from Temporary permit holders except persons/organizations who obtained quarry leases with exemption from payment of seigniorage fee, in respect of Minor Minerals as specified in Rule 10(A)(1) at the relevant rates mentioned in Schedule 1 of Rules 10(1) at or before the time of dispatch of the minor minerals as specified in Rule 10(A)(1) from the leased areas.
 - (ii) Collect the seigniorage fee from any persons/companies who are not the quarry lease holders.
 - (iii) Levy and collect penalty from illegal mineral transporters.
 - (iv) Have any right for any type of compensation arising out of non-working of the quarries and due to expiry, lapse, determination, cancellation etc., of the leases.
 - (v) Recover any seigniorage fee and/or permit fee from the minerals used in special works or schemes as specified by the Government, from time to time.

VIII. For rule 10-H, the following shall be substituted, namely:-

“10-H. Termination of agreement:-

The successful bidder shall abide by the conditions of the agreement executed in Form M and the applicable rules. The Director shall be competent to terminate or cancel the agreement for any violation of the provisions of the Andhra Pradesh Minor Mineral Concession Rules, 1966 or conditions of the agreement after giving 15 days notice. The Director shall also be competent to forfeit all the amounts by way of deposits or otherwise or amounts covered under bank guarantee to the Government upon such termination or cancellation.”

IX. for rule 10-I, the following shall be substituted, namely:-

10-I.

- (1) No minor mineral shall be dispatched from any of the leased areas in the district without a valid transit form duly stamped by the Assistant Director concerned issued through the Contractor or his representative. Contravention of this clause shall result in levy of normal seigniorage fee along with five times penalty on normal Seigniorage Fee by the Assistant Director concerned on a complaint filed by the Contractor and on establishing the same by the Assistant Director. The normal seigniorage fee shall be paid to the Contractor and the penalty amount shall be remitted to the Government treasury. If by any chance, the complaint by the

Contractor results in non-establishing the unauthorized transportation by the lessees due to inadequate or insufficient evidence in the complaint does not confer any right on the Contractor to claim any sort of compensation from the Government. However, the persons/organizations who are holding the quarry leases with exemption from payment of seigniorage fee shall obtain dispatch permits from the Assistant Director directly as required under Rule 34.

- (2) The Contractor shall submit monthly return in Form C-1 to the Assistant Director, Deputy Director concerned and the Director for every month before 10th day of the succeeding Month.

X. for rule 10-K, the following shall be substituted, namely:-

"10-K. The right of collection of seigniorage fee obtained through electronic-auction is not liable for transfer."

XI. after rule 10-N, the following shall be added, namely:-

"10-O: When the day of completion of any requirement under these rules is falling due on a public holiday, the day of completion shall be deemed to be due on the next successive working day.

Explanation.— The expression "public holiday" includes Saturday, Sunday and any other day declared to be a public holiday by the Central Government or the State Government, as the case may be."

XII. for sub-rule (2) of Rule 10, the following shall be substituted, namely:-

"(2) When quarry lease is granted, the assessment on the land together with the Seigniorage fee or dead rent, whichever is higher, shall be charged on quarterly basis in every year. The balance quarterly amounts towards Dead rent (if any) shall not be carry forwarded to the subsequent quarters."

XIII. Clause (d) of sub-rule (4) of rule 10, shall be omitted.

XIV. after sub-clause (iii) of clause (h) of sub-rule (5) of Rule 12 and after sub-rule (2) of Rule 34, the following shall be added as Rule 12(5)(h)(iii)(a) and Rule 34(3) respectively:-

"Responsibilities of leaseholders whose leases are falling within the Seigniorage fee collection contract area:-

(i) The lessee shall pay the seigniorage fee online as per the rates prescribed from time to time in Schedule-I in advance for the estimated quantity intended to be loaded and despatched from the lease area and issue an un-confirmed transit form generated from the e-Permit system developed by the Department of Mines & Geology to the vehicle driver on payment of user charges as prescribed by Director of Mines & Geology. The vehicle driver shall visit the nearest weighbridge established by the contractor for issue of confirmed transit form within two or 3 hours or as specified by Director of Mines & Geology from time to time.

Provided that if the vehicle driver fails to visit the nearest weighbridge within the time stipulated as above, the vehicle shall be blacklisted and no further transit

form shall be generated on such vehicle till the issuance of confirmed transit form by the contractor.

Provided further that, in case of any IT system related problems, the Director of Mines & Geology may issue instructions for alternate arrangements for issuance of transit forms and collection of Seigniorage fee and other applicable charges.

(ii) The leaseholder shall pay Seigniorage fee to the concerned Contractor, for such excess quantity of mineral mentioned in the un-confirmed transit form arrived after weighment after exhaustion of the Dead rent in every quarter paid by the leaseholder and the contractor shall issue confirmed transit form from the e-Permit system developed by Department of Mines & Geology to the vehicle driver.

(iii) The vehicle driver shall carry the confirmed transit form issued by the contractor after weighment to the destination.

Provided that if the vehicle not accompanied by the confirmed transit forms issued by the Contractor, the lessee is liable to pay five (5) times of the normal Seigniorage fee as penalty in addition to normal Seigniorage fee."

XV. For the existing (Form C-1 and Form - M), the revised Form C-1 and revised Form - M are appended to this GO.

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

**GOPAL KRISHNA DWIVEDI
PRINCIPAL SECRETARY TO GOVERNMENT(MINES)**

To

The Commissioner of Printing, Stationery & Stores Purchases (Printing Wing) Andhra Pradesh, Vijayawada. (with a request to publish the above notification and arrange to send 100 copies of the same to the Government in Industries & Commerce (M.III) Department and 50 copies to the Director of Mines & Geology, A.P., Ibrahimpatnam, Vijayawada).

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

The Chief Executive Officer, MERIC, Vijayawada.

All the Joint Director /Deputy Director / Asst. Director of Mines & Geology through the Director of Mines & Geology, Ibrahimpatnam.

Copy to:

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

The Law Department.

The Finance Department.

The P.S to Minister for Mines & Geology.

The PS to Prl. Secretary to Govt., (Mines).

SF/SC(C.No.1419823).

//FORWARDED:: BY ORDER//

SECTION OFFICER

FORM-C-1
Monthly Return to be submitted by the Authorised Agent
[Sub-Rule (ii) of Rule 10-I]

<i>S.No</i>	<i>Name and Address of the lessee</i>	<i>Location extent of the lease</i>	<i>Name of the mineral</i>	<i>No. of transit forms issued</i>	<i>Quantity for which transit forms issued</i>	<i>Seigniorage fee paid towards permitted quantity</i>	<i>Remarks</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>

GOPAL KRISHNA DWIVEDI
PRINCIPAL SECRETARY TO GOVERNMENT(MINES)

FORM 'M'

Form of Agreement

[See Sub-Rule (ii) of Rule 10-D]

This indenture made this day of 20... between the Governor of Andhra Pradesh (hereinafter called the "State Government" which expression shall where the context so admits, include his successors in Office and Assigns) of the One Part, and

WHEN CONTRACTOR IS AN INDIVIDUAL :

..... (Name of person with Address and Occupation) (hereafter referred to as the Contractor which expression shall where the context so admits to be deemed to include his respective heirs and legal representatives).

WHEN THE CONTRACTOR IS A REGISTERED FIRM :

..... (Name and Address of Partner) Son of all carrying business in partnership under the firm Name and Style of (Name of the firm) Registered under the Indian Partnership Act, 1932 (9/1932) and having their Registered Office at (hereafter referred to as the Contractor which expression where the context so admits is deemed to include of the said partners their respective heirs Legal representatives and permitted assigns) of the other Part.

WHEN THE CONTRACTOR IS A REGISTERED COMPANY :

..... (Name and Address of Company) incorporated in India under the Companies Act, [1956/2013] with Corporate Identity Number [CIN of the successful bidder] whose Registered Office is at, India and the principle place of Business is at [if different from registered office] (hereafter referred to as the CONTRACTOR which expression where the context so admits is deemed to include of the said partners their respective heirs Legal representatives and permitted assigns) of the other Part.

Whereas the CONTRACTOR has been granted in Electronic Auction (e-auction) by the Director of Mines & Geology the rights of collection of seigniorage fee in respect of the Minor Minerals as specified in Rule 10(A)(1) and areas specified in the Schedule-I for the knocked down amount of [Rs.....]: therein and has paid the 25% of knocked down amount i.e., [Rs.....] towards performance security and 10 % of knocked down amount i.e., [Rs.....] as Security Deposit in the form of Bank guarantees with the Deputy Director of Mines and Geology for the due and faithful performance by the Contractor of the conditions on the Part of the Contractor hereinafter contained.

And whereas the State Government awarded the district contract area hereafter described as Contract area for the knocked down amount of Rs..... and subject also to the conditions hereinafter contained, now this indenture witness as follows:—

The State Government hereby permits the Contractor to collect the seigniorage fee in respect of the Minor Minerals as specified in Rule 10(A)(1) from the lease

holders whose leases are situated in the area/areas mentioned in the Schedule – I and more particularly described in Schedule-II hereunder.

Part - I : MODE OF PAYMENT OF KNOCKED DOWN AMOUNT :

The Contractor having paid the 1st instalment of the knocked down [x x x] amount before enter in the agreement shall pay remaining 11 monthly instalments for the first year and the 12 monthly instalments for the second year before 7th of succeeding month.

The Director of Mines & Geology shall have the power to terminate the agreement if the contractor fails to pay the instalments as above and to forfeit to the Government the amounts paid by the contractor and the amount guaranteed by Bank.

Part - II : LIBERTIES OF THE CONTRACTOR:

(3) Liberties of the Bidder:-

The Bidder after executing the agreement in Form M prescribed in Rule 10-D(2) will be at liberty to:

- (i) Collect the Seigniorage fee in force as on the day of notification of the auction notice from the leases existing in the district after the exhaustion of the Dead rent in every quarter paid by the leaseholders.
- (ii) Collect Seigniorage fee for such excess quantity of mineral mentioned in the transit form arrived after weighment after exhaustion of the Dead rent in every quarter paid by the leaseholders.
- (iii) Collect the seigniorage fee from all the new leases granted and executed from the Minor Minerals as specified in Rule 10(A)(1) during the currency of the Contract period.
- (iv) Collect excess seigniorage fee only from such vehicles which are having valid transit passes issued by the lessees. The contractor shall retain second copy of the transit passes with him and shall return first copy after stamping to vehicle owner. The contractor shall deposit second copy of transit passes with second copy of receipt issued by him with monthly statement to the Deputy Director of Mines and Geology or Assistant Director of Mines and Geology concerned.
- (v) Collect seigniorage fee on the dispatch of minor minerals as specified in Rule 10(A)(1) from the area specified in the contract and not on minor minerals brought from outside the contract area or from the major mineral leases.
- (vi) Bring to the notice of Department of Mines & Geology on the details of vehicles involved in illegal transportation of minerals for taking necessary action.

Restrictions on the Bidder:- The following restrictions shall be applicable to Contractor: The contractor shall not:

- (i) Collect seigniorage fee from Temporary permit holders except persons/organizations who obtained quarry leases with exemption from payment of seigniorage fee, in respect of Minor Minerals as specified in Rule 10(A)(1) at the relevant rates mentioned in Schedule

- 1 of Rules 10(1) at or before the time of dispatch of the minor minerals as specified in Rule 10(A)(1) from the leased areas.
- (ii) Collect the seigniorage fee from any persons/companies who are not the quarry lease holders.
 - (iii) Levy and collect penalty from illegal mineral transporters.
 - (iv) Have any right for any type of compensation arising out of non-working of the quarries and due to expiry, lapse, determination, cancellation etc., of the leases.
 - (v) Recover any seigniorage fee and/or permit fee from the minerals used in special works or schemes as specified by the Government, from time to time.

Part - III: LIBERTIES OF THE STATE GOVERNMENT AND DIRECTOR OF MINES & GEOLOGY

1. The State Government shall have the liberty to grant and/or terminate the quarry leases in respect of the minor minerals as specified in Rule 10(A)(1) in the Contract area as per A.P.M.M.C. Rules, 1966.
2. The State Government shall have the power to penalise any person indulged in illicit quarrying and transportation of minerals from contract area as per rules.
3. The State Government shall have the power to terminate the agreement with the authorised agent if he violates the conditions specified in Part-II above.
4. The Director of Mines & Geology shall prescribe guidelines and technical specifications for empanelment and operation of weighbridges from time to time.
5. The Director of Mines & Geology may issue instructions for alternate arrangements for issuance of transit forms and collection of Seigniorage fee and other applicable charges in case of any IT system related problems.

Part - IV : IT IS HEREBY EXPRESSLY AGREED AS FOLLOWS :

1. The Contractor shall immediately inform to the Assistant Director of Mines and Geology concerned about any illicit quarrying of minor minerals as specified in Rule 10(A)(1) noticed within the contract area.
2. The Contractor shall maintain correct account of the minor minerals as specified in Rule 10(A)(1) consumed or despatched from the contract area and shall furnish the same to the department when asked for.
3. The Contractor shall make his own arrangements for establishment and integration of weighbridges with Department of Mines & Geology website and certified by Weights and Measures Department for collecting the seigniorage fee from the lessee and he shall not claim any compensation for any failure on his part in collecting the same.
5. The Bank Guarantee furnished by the Contractor for the 10% of the knocked down bid amount towards security deposit of [Rs.] and the 25% of the knocked down bid amount towards Performance Security of [Rs.] shall be returned after the completion of the said term of two years.

Provided that the Contractor duly observed and performed the conditions on his part herein contained.

6. If any question of difference or dispute shall arise between the parties here to or any person concerning the [knocked down] amount and seigniorage fee hereby reserved any of these presents, it shall be

reserved to the State Government whose decision thereon shall be final and binding on the parties hereto.

SCHEDULE - I

S.No	District	Knocked down amount
1	2	5

SCHEDULE - II

List of leases falling under the district contract area mentioned in Schedule-I

S.No	Name of lessee	Location of lease			Extent in Ha.	Name of the minerals	Lease period	
		Sy.No	Village	Mandal			From	To
1	2	3	4	5	6	7	8	9

In witness whereof Deputy Director of Mines and Geology acting for and on behalf of and by order and direction of Governor of Andhra Pradesh and the Contractor have hereupto set their hands the day and year first above writing.

Signed and delivered by the above named in the presence of:

.....

.....

Signature of the Contractor

Signature of the Deputy Director of Mines & Geology

Date.....

**GOPAL KRISHNA DWIVEDI
PRINCIPAL SECRETARY TO GOVERNMENT(MINES)**