BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
Gp	83	Rw	2.2.00				
Cm	306/02.						
Ms.	3733	.I.L.e	4/11/55				

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evenue (1898) Department.

CURRENT No. 2212.

From Board of Revenue Land R—

GOVERNMENT OF MADRAS REVENUE DEPARTMENT 21 MAR 98

No. 56.

Order

Dated 10. 3. 98

Received 18 "

Registered 19 "

Enclosures

Spare copies

SUBJECT.

Subg for the approval of Govt with Bd's remarks, a.. of draft rules for regulating mining in patta lands.

R.D. / 19-3-98

BACK PAPE

G.O.	No.	Department.
	3211	Rev
	379	Rev

FURTHER PAP

G.O.	No.	Department.	Date.

Not placed

J.G.

11-9-39

REVENUE DEPARTMENT.

1898.

Board of Revenue

(Land Revenue),

MADRAS.

Printed March th.

Proceedings, No. 56, 10th March 1898.

MARCH.

Submitting for the approval of Government, with Board's remarks, a set of draft rules for regulating mining in patta lands.

PROCEEDINGS OF THE BOARD OF REVENUE

(LAND REVENUE).

READ—again Proceedings of the Board of Revenue (Land Revenue), No. 240, dated 16th July 1897.

ABSTRACT.—Communicating to all Collectors for information and guidance, with remarks Government Orders, Revenue Department, approving, subject to remarks, the draft Standing Order regarding quarrying and mining and the Board's proposals that pattadars excavating *mica* on a large scale be compelled to take out mining leases instead of prospecting licenses and that the penal rate of royalty be fixed at 25 instead of at 50 per cent.; requesting the Board to submit a set of draft rules regarding the conditions and stipulations under which mining in patta lands is to be permitted and addressing the Government of India on the subject of the reservation by the State of full rights to minerals in unoccupied ryotwari lands.

—also Memorandum

Department, the Acting Under Secretary to Government, Revenue 409, dated 13th November 1897.

ABSTRACT.—Requesting the Board to mit an early reply to Government Order, No. 3211, dated 25th June 1897, regarding mining for in patta lands.

RESOLUTION—No. 56, dated 10th March 1898.

With reference to paragraph 3 of Government Order, No. 3211, dated 25th June 1897, the Board submits for the approval of Government a set of draft rules for regulating mining in patta lands.

2. In paragraph 6 of its order, No. 379, dated 25th May 1897, Government observed that, under the sanction accorded by the rule contained in note (4) to paragraph 4 of the revised Standing Order No. 15, nearly all the conditions of working as set forth in the general mining rules might be enforced in the case of a pattadar conducting mining operations on his own land. The Board submits that, for the present, it will be sufficient to enforce the conditions specified in the appendix. It will not be in a position to suggest any further conditions and stipulations of a general character until some actual applications for leases shall have been received.

3. The principal question for consideration is whether Government should, in this matter, deal with the pattadar or with his lessee who works the mine. The Board is of opinion that Government should deal with the pattadar only. The view accepted by the Secretary of State in his despatch No. 49, dated 12th July 1883, was that the pattadar was to pay a special assessment if he worked mines and it is to the pattadar that Government should look for the payment of its dues.

4. If the Government approves of the rules, the Government Solicitor w requested to draw up a form of agreement or lease embodying the conditions sp in the appendix.

(True Extract.)

Secreta

To the Secretary to Government, Revenue Department. ✓

APPENDIX.

Rules for regulating mining in patta lands.

Pattadars intending to work minerals in patta lands shall give notice of their intention to the Collector of the district specifying the fields in which and the minerals for which they intend to carry on operations. On receipt of the notice, the Collector shall allow operations to be carried on under the following conditions and stipulations:—

1. In all cases the pattadar shall be held responsible for working the mine in a proper manner and shall also be directly liable to Government for any wrongful act or default on the part of his nominee.

2. The pattadar shall be liable to pay in addition to land assessment a royalty or dead-rent, whichever may be the greater in amount at the following rates:—

	Royalty.	Dead-rent per acre (minimum). RS. A. P.
Coal (exclusive of dust and coal used on the works).	2 annas per ton	0 2 0
Oil	8 annas per 40 gallons or 5 per cent. *ad valorem.*	0 8 0
Gold or silver...	7½ per cent. of value of gold or silver extracted.	0 8 0
Iron	½ anna per ton of iron stone	0 0 6
Copper, tin, lead or other metals.	2½ per cent. on the sale-value, at the pit's mouth, of the dressed ore or metal convertible at the option of the lessee into an equivalent charge per ton to be fixed annually or for a term.	0 8 0
Precious stones.	30 per cent on value. (This applies only to finds Conditions as to royalty will be determined in each case by the Government of India).	...
Other kinds of minerals.	Such seigniorage fees or additional acreage assessment as may be fixed by the Board of Revenue according to the merits of each case and to the scale on which the mining operations are conducted	...

3. The pattadar shall keep correct accounts showing the quantity and particulars of all minerals obtained from the mine and the number of persons employed therein; and also complete plans of the mine, and shall allow any officer authorized by the Local Government in that behalf at any time to examine such accounts and plans and shall furnish the Local Government with such information and returns in respect of the aforesaid matters as it may prescribe.

4. The pattadar shall allow any officer authorized by the Local Government in that behalf to enter upon the premises over which mining operations are carried on for the purpose of inspecting the same.

5. The pattadar shall, without delay, send to the Collector a report of any accident which may occur at or in the said premises and also the discovery therein in any appreciable quantity of any mineral not specified in the lease.

6. No remission will be granted in respect of any land rendered unfit for surface cultivation by th carrying on of mining operations.

7. The rates of royalty or dead-rent shall be liable to be enhanced or the lease to be determine in case of breach of any of the above conditions.

8. The amount of royalty or dead-rent payable to Government on account of minerals worked will be collected under the provisions of Act II of 1864 (Madras).

Exd A. F. Eccleston.

NOTE FOR THE

Remainder No. 222

241 R. d/ 6.12.98.
12 R. d/ 30.1.99

Urgent

Print & issue Copy
the red ink
portion being
in italics
28/10/98

...fore finally issuing

the Govt. ~~desire that~~ will be glad if the Bd. of Rev. ~~sh.~~ will consult

1. ... of ...
in par...
~~readdite...~~
~~its Propr...~~
~~Considers that~~
~~outsiders interes...~~
~~enterprize should...~~
~~as to their suitabilit...~~
with some alterations ~~suggested ame...~~
~~rules as amended by Govt. in~~
~~certain respects~~ will ~~accord...~~
be ~~forwarded to~~ Messrs Arbuthnot
& Co Binney & Co ~~and~~ ~~Lord~~ Leighton Best & Co & Parry
& Co. and any other firms specially
~~for favour of opinion~~.

Please see copy of the rules put up below in which the amendments have been carried out in red ink (to be printed in italics)

interested in mining enterprize, & submit for the consid. of Govt. any criticism wh. either they or the Bd. itself may see fit to offer.

2. The Board of ~~Revenue~~ will is in
~~the meantime be~~ requested to
report ~~for what~~ on the question of the term for which the
agreement to be executed by
pattadars should run - i...
it should run contem...
with the land assess...
for a period of 30 y...
~~within~~ any leas...
W...

Ootacamund
29th August 1898

The Bd. of Rev. (L.R.) R & O. with copy of rules
~~Messrs Arbuthnot & Co~~
~~Binney & Co~~
~~Sir D. Leighton~~
~~for opinion with copy of the rules~~.

Desp.
5.9.98

6/7/98

^ Every such notice shall contain a map or sketch of the area over which it is proposed to mine. In default of the submission of such a map or sketch the Collector shall have one prepared under his orders and recover the cost from the pattadars concerned.

^ and shall have an agreement executed by the pattadars binding themselves to accept

^^ 8 Should any question or dispute arise regarding the agreement or any matter or thing connected therewith or the powers of the pattadars thereunder or the amount or payment of the royalty or dead-rent made payable thereby the matter in difference shall be decided by the Local Govt., whose decision shall be final.

APPENDIX.

Rules for regulating mining in patta lands.

or to allow to be worked their

Pattadars intending to work minerals in patta lands shall give notice of their intention to the Collector of the district specifying the fields in which and the minerals for which they intend to carry on operations. On receipt of the notice, the Collector shall allow operations to be carried on ~~under~~ the following conditions and stipulations :—

1. In all cases the pattadar shall be held responsible for working the mine in a proper manner and shall also be directly liable to Government for any wrongful act or default on the part of his nominee.

2. The pattadar shall be liable to pay in addition to land assessment a royalty or dead-rent, whichever may be the greater in amount at the following rates :—

	Royalty.	Dead-rent per acre (minimum).		
		RS.	A.	P.
Coal (exclusive of dust and coal used on the works).	2 annas per ton	0	2	0
Oil	8 annas per 40 gallons or 5 per cent. *ad valorem.*	0	8	0
Gold or silver...	7½ per cent. of value of gold or silver extracted.	0	8	0
Iron	½ anna per ton of iron stone	0	0	6
Copper, tin, lead or other metals.	2½ per cent. on the sale-value, at the pit's mouth, of the dressed ore or metal convertible at the option of the lessee into an equivalent charge per ton to be fixed annually or for a term.	0	8	0
Precious stones.	30 per cent on value. (This applies only to finds. Conditions as to royalty will be determined in each case by the Government of India).	...		
Other kinds of minerals.	Such seigniorage fees or additional acreage assessment as may be fixed by the Board of Revenue according to the merits of each case and to the scale on which the mining operations are conducted.	...		

3. The pattadar shall keep correct accounts showing the quantity and particulars of all minerals obtained from the mine and the number of persons employed therein; and also complete plans of the mine, and shall allow any officer authorized by the Local Government in that behalf at any time to examine such accounts and plans and shall furnish the Local Government with such information and returns in respect of the aforesaid matters as it may prescribe.

4. The pattadar shall allow any officer authorized by the Local Government in that behalf to enter upon the premises over which mining operations are carried on for the purpose of inspecting the same.

5. The pattadar shall, without delay, send to the Collector a report of any accident which may occur at or in the said premises and also the discovery therein ~~in any appreciable quantity~~ of any mineral not specified in the lease.

6. No remission will be granted in respect of any land rendered unfit for surface cultivation by the carrying on of mining operations.

9. The rates of royalty or dead-rent shall be liable to be enhanced or the ~~lease~~ agreement to be determined in case of breach of any of the above conditions.

8. The amount of royalty or dead-rent payable to Government on account of minerals worked will be collected under the provisions of Act II of 1864 (Madras).

^^

Exd. A. F. Eccleston.

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APPENDIX.

Rules for regulating mining in Patta Lands.

Pattadars intending to work *or to allow to be worked* minerals in *their* patta lands shall give notice of their intention to the Collector of the district specifying the fields in which and the minerals for which they intend to carry on operations. *Every such notice shall contain a map or sketch of the area over which it is proposed to mine. In default of the submission of such a map or sketch the Collector shall have one prepared under his orders and recover the cost from the pattadars concerned.* On receipt of the notice, the Collector shall allow operations to be carried on *and shall have an agreement executed by the pattadars binding themselves to accept* the following conditions and stipulations:—

1. In all cases the pattadar shall be held responsible for working the mine in a proper manner and shall also be directly liable to Government for any wrongful act or default on the part of his nominee.

2. The pattadar shall be liable to pay in addition to land assessment a royalty or dead-rent, whichever may be the greater in amount at the following rates:—

	Royalty.	Dead-rent per acre (minimum). RS.	A.	P.
Coal (exclusive of dust and coal used on the works).	2 annas per ton	0	2	0
Oil	8 annas per 40 gallons or 5 per cent. *ad valorem.*	0	8	0
Gold or silver ...	7½ per cent. of value of gold or silver extracted.	0	8	0
Iron	½ anna per ton of iron stone	0	0	6
Copper, tin, lead or other metals.	2½ per cent. on the sale-value, at the pit's mouth, of the dressed ore or metal convertible at the option of the lessee into an equivalent charge per ton to be fixed annually or for a term.	0	8	0
Precious stones.	30 per cent on value. (This applies only to finds. Conditions as to royalty will be determined in each case by the Government of India).	...		
Other kinds of minerals.	Such seigniorage fees or additional acreage assessment as may be fixed by the Board of Revenue according to the merits of each case and to the scale on which the mining operations are conducted.	...		

3. The pattadar shall keep correct accounts showing the quantity and particulars of all minerals obtained from the mine and the number of persons employed therein; and also complete plans of the mine, and shall allow any officer authorized by the Local Government in that behalf at any time to examine such accounts and plans and shall furnish the Local Government with such information and returns in respect of the aforesaid matters as it may prescribe.

4. The pattadar shall allow any officer authorized by the Local Government in that behalf to enter upon the premises over which mining operations are carried on for the purpose of inspecting the same.

5. The pattadar shall, without delay, send to the Collector a report of any accident which may occur at or in the said premises and also the discovery therein of any mineral not specified in the lease.

6. No remission will be granted in respect of any land rendered unfit for surface cultivation by the carrying on of mining operations.

7. The amount of royalty or dead-rent payable to Government on account of minerals worked will be collected under the provisions of Act II of 1864 (Madras).

8. *Should any question or dispute arise regarding the agreement or any matter or thing connected therewith or the powers of the pattadars thereunder or the amount or payment of the royalty or dead-rent made payable thereby, the matter in difference shall be decided by the Local Government, whose decision shall be final.*

9. The rates of royalty or dead-rent shall be liable to be enhanced or the *agreement* to be determined in case of breach of any of the above conditions.

Revenue

~~Financial~~ (189 9) Department.

CURRENT No. 1711

Order

From Board of Revenue
Land Revenue

No. 66

Dated 6 . 3 . 99.
Received 9th March } 1899
Registered 10th " }
Enclosures —
Spare copies —

SUBJECT.

Submitting to Government, with Board's remarks, the suggestions made by Messrs. Binny & Co. and certain Collectors on the draft rules for the regulation of mining in patta lands.

is below.

BACK PAPERS.

G.O.	No.	Department	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Nos. 607, 607A. Revenue,

[illegible]
G.C.
11-9-99

16

[illegible]

REVENUE DEPARTMENT.

1899.

Board of Revenue

(Land Revenue)

MADRAS.

Printed March th.

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Proceedings, No. 66, 6th March 1899.

MARCH.

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Submitting to Government, with Board's remarks, the suggestions made by Messrs. Binny Co. and certain Collectors on the draft rules for the regulation of mining in patta lands.

PROCEEDINGS OF THE BOARD OF REVENUE

(LAND REVENUE).

READ—replies from certain firms and Collectors to Board's Proceedings, No. 245, dated 13th September 1898, calling for remarks on the draft rules for regulating mining in patta lands.

RESOLUTION—No. 66 dated 6th March 1899.

In its Official Memorandum No. 198, dated the 29th August 1898, Government desired the Board to circulate its draft rules for the regulation of mining in patta lands for the remarks of Messrs. Arbuthnot & Co., Binny & Co., Best & Co., D. Leighton & Co., and any other firms specially interested in mining enterprise, and to report on the question of the term for which the agreement to be executed by the pattadars should run, *i.e.*, whether it should run contemporaneously with the land assessment or be for a period of 30 years or for any less period.

2. The draft rules were accordingly circulated to the firms specified in the margin * and the Collectors of the marginally-noted † districts were requested to submit their remarks on the rules and to report on the term of the agreement to be executed by the pattadars. Replies were received from only two of the firms consulted, viz., Messrs. Binny & Co. and H. Muhammad Badsha Sahib & Co. Reminders were sent to the other firms on the 3rd November and 17th December 1898, but none of them have as yet responded to the requisition. In its last reminder, the Board intimated that if no remarks were received from them before the 10th January 1899, it would presume that they had no suggestions or criticisms to offer and would submit its proposals to Government without waiting for any commication on the subject.

* Messrs. Arbuthnot & Co.
Binny & Co.
" Best & Co.
" D. Leighton & Co.
" Eales & Co.
" H. Muhammad Badsha Sahib & Co.
" Stanes & Co.

† North Arcot.
Gódávari.
Nellore.
Trichinopoly.
Vizagapatam.

3. The Collector of North Arcot and Messrs. H. Muhammad Badsha Sahib & Co. state that they have no remarks to offer. The suggestions made by the other Collectors and Messrs. Binny & Co. are dealt with below :—

(i) *Period of agreement.*—The Collectors of Vizagapatam and Gódávari consider that the agreement to be executed by the pattadars should run contemporaneously with the land assessment. The latter officer observes that it should be distinctly laid down that the rates of royalty and dead-rent specified in rule 2 shall be liable to revision on the occasion of resettlement of land revenue so as to accord with the general rules of the Government of India.

The Collector of Trichinopoly is of opinion that the period should be 30 years. If it should run contemporaneously with the land assessment, he considers the period might be too short and the lease would have to be renewed at some trouble and expense. Messrs. Binny & Co. are of the same opinion, but they add that lessees should be permitted to relinquish the lands after giving six months' notice to the Collector.

The Board observes that the draft rules already provide that Government is entitled to receive royalty from a pattadar carrying on mining operations on his patta land and that the charge is leviable contemporaneously with the land assessment. This provision would seem to meet all requirements. In case mining operations are carried on after a patta has been relinquished, the miner, whoever he may be, whether the former pattadar or his lessee, will have to take out an ordinary mining lease. The Board may observe that as a general rule, where persons intend to carry on regular mining operations, it would be more convenient if the pattas were relinquished and ordinary mining leases taken out.

(ii) *Whether Government should deal with the pattadar or with his lessee who works the mine.*—The Collector of Nellore considers it unadvisable to recognize lessees under a pattadar. If they desire separate recognition by Government they should in his opinion take steps to obtain a transfer of patta. The Collector of Trichinopoly considers that when the land is leased out to a third party for the purpose of working minerals, the actual miner and not the pattadar should be held responsible for complying with the provisions contained in paragraphs 1, 3, 4 and 5 of the draft rules as it is not likely that the pattadar will incur the trouble and responsibility involved. In the Collector's opinion, these conditions will discourage pattadars from allowing mining operations to be carried on. Messrs. Binny and Co. make similar comments and inquire whether it would not be advisable to give the pattadar the option of transferring his title to the surface rights to the person to whom he grants a lease of his lands for mining purposes. The latter person would then become the pattadar, bound to pay arrears of assessment, if any, and ready to execute the required mining lease.

On this point the Board adheres to the opinion already expressed in paragraph 3 of its Proceedings, No 56, dated 10th March 1898, viz., that Government should deal with the pattadar only. There, however, seems no objection to the mining lessee's arranging himself to carry out the conditions prescribed in paragraphs 1, 3, 4 and 5 of the draft rules provided the pattadar does not object to such a course. There is of course nothing to prevent a pattadar from transferring his patta to the lessee of the mining right if he chooses. Such transfers do not necessarily involve surrender of ownership and should be encouraged under paragraph 3 (2) of Standing Order No. 20 (New Edition).

(iii) *Royalty.*—The Collector of Nellore reports that mica is the chief mineral in his district and considers that the rate of royalty should be the same as that levied in the case of waste lands, viz., 5 per cent. *ad valorem.* He accordingly suggests that a schedule of royalty should be attached to the last clause of paragraph 2 of the rules.

Messrs. Binny and Co. are of opinion that the rate may be fixed at 2½ per cent. on sale value.

The Board observes that the Government of India has already decided in the letter No. 646—22, dated 28th February 1895, communicated with Government Order, No. 4218, dated 25th October 1895, that the rate of royalty to be levied for mining in patta lands should not be smaller in amount than that levied in the case of Government lands. It accordingly proposes that the rates of royalty and dead-rent already fixed for mica and phosphatic nodules be embodied in the table appended to paragraph 2 of the rules.

	Royalty	Dead-rent. RS.	A.	P.
Mica	... 5 per cent. *ad valorem.*	1	0	0
Phosphatic nodules.	5 per cent. on the market price of the crushed nodules ...	0	4	0

(iv) *Improvements suggested on the draft rules.*—The Collector of Nello [illegible] Mullaly) makes the following suggestions :—

(1) The submission of the map or sketch referred to in the preamble to the rules be dispensed with in respect of surveyed areas, as the mere mention of the survey field or demarcated sub-division should be sufficient.

The Board considers that when a portion of a survey field is taken up, a map will be necessary to show what part of the field will be worked. The Collector may, therefore, be given the option of calling for a map in cases where he thinks it necessary.

(2) The last sentence of the preamble to the rules provides that "the Collector *shall* allow operations to be carried on." Mr. Mullaly points out that there may be cases in which it would be objectionable to allow mining operations owing to proximity to a thoroughfare, &c. He accordingly suggests the insertion of the words "if unobjectionable" between the words "shall" and "allow."

The Board observes that, the addition proposed is verbally unsuitable, and that Government has ordinarily no right to prevent a pattadar from working his minerals. The word "may" might however be substituted for "shall."

(3) As the agreement to be executed by the pattadars should be anterior to the commencement of operations, it is suggested that the last sentence of the preamble be modified as follows:—

> "On receipt of the notice and after due execution of an agreement by the pattadars binding themselves to accept the following conditions and stipulations, the Collector, &c."

(4) In rule 3, it is proposed to insert the words (1) "in such form as the Collector directs" after the word "accounts" and (2) "when directed by the Collector" after the words "and also." The Collector states that complete plans of the mine will not be necessary in all cases.

The Board recommends these two suggestions for approval. In this connection the Board would propose the substitution of the words "to undertake or permit the working of" in lieu of the words "to work or allow to be worked" occurring in line 1 of the preamble, and of the words "an accurate map" in lieu of the words "a map" occurring in the third line.

(v) *New rules proposed.*—(1) The Collector of Nellore points out that the draft rules do not provide for any deposit as security prior to the commencement of operations. He thinks that the deposit of security should be insisted on in all cases. As a general rule mining in patta lands will be carried on by non-pattadars on whom Government can have no hold, and unless security deposits are taken from such lessees, Government is liable to be defrauded.

The Board considers it desirable to take security sufficient to cover the loss that may ensue if the field is rendered unfit for cultivation. In ordinary cases the amount of deposit should be the same as that prescribed for mica in the case of Government waste land, viz., Rs. 500. In petty cases, Collectors might be authorized to reduce the amount to a sum not less than thirty times the assessment.

(2) The same Collector proposes to require that no minerals shall be removed from a mine until the payment of royalty due thereon and to lay down that the minerals obtained from a mine shall be the property of Government until the payment of its dues.

(3) Mr. Mullaly also thinks that provision should be made for the inspection of consignments at such places as may be specified by Government.

The Board observes that the general mining rules issued by the Government of India do not lay down any conditions such as those suggested by the Collector. The draft rules already provide that the pattadar shall keep correct accounts showing the quantity and particulars of all minerals obtained and that he shall allow any officer duly authorized to inspect the mine on pain of royalty being enhanced or the agreement being determined. Further, the royalty payable to Government is recoverable under Madras Act II of 1864. These provisions are sufficient to ensure the due levy and realization of Government dues and the Board fails to see how the whole of the mineral obtained can be declared the property of Government as Government only claims a share in the minerals in patta lands.

(4) The Collector of Gódávari points out that the rules contain no provision for the restoration of the land to a state fit for cultivation or for the protection of the public from accidents. There may be cases in which a man might take land on patta with a view to carry on mining operations and then give it up in a couple of years after rendering it unfit for cultivation. The Collector accordingly suggests the following rule as a precautionary measure:—

> "The pattadar shall be liable to restore the land to a state fit for cultivation or to securely and permanently fence in abandoned pits in cases in which the Local Government may consider such restoration or fencing necessary."

The insertion of a rule to the above effect seems desirable, and with the security deposit proposed above, the condition can be enforced by the Collector, should the pattadar fail to comply with it.

4. A copy of the rules as revised with reference to the foregoing remarks is appended to these Proceedings.

(True Extract.)

Lionel Davidson

Acting Secretary.

To the Secretary to Government, Revenue Department.

APPENDIX.

Rules for regulating Mining in Patta Lands.

Pattadars intending to undertake or permit the working of minerals in their patta lands shall give notice of their intention to the Collector of the district specifying the fields in which and the minerals for which they intend to carry on operations. Every such notice shall contain an accurate map or sketch of the area over which it is proposed to mine. In default of the submission of such a map or sketch the Collector may have one prepared under his orders and recover the cost from the pattadars concerned. On receipt of the notice, the Collector may allow operations to be commenced on *the pattadars executing an agreement binding themselves to accept* the following conditions and stipulations and on their depositing as security such sum as the Collector may consider sufficient to cover the loss that may ensue if the land is rendered unfit for cultivation. The amount of deposit shall be Rs. 500 in ordinary cases but Collectors shall have discretion to reduce the amount in petty cases to a sum not less than 30 times the assessment:—

1. In all cases the pattadar shall be held responsible for working the mine in a proper manner and shall also be directly liable to Government for any wrongful act or default on the part of his nominee.

2. The pattadar shall be liable to pay in addition to land assessment a royalty or dead-rent, whichever may be the greater in amount at the following rates:—

	Royalty.	Dead-rent per acre (minimum). per annum RS.	A.	P.
Coal (exclusive of dust and coal used on the works).	2 annas per ton	0	2	0
Oil	8 annas per 40 gallons or 5 per cent. *ad valorem.*	0	8	0
Gold or silver ...	7½ per cent. of value of gold or silver extracted.	0	8	0
Iron	½ anna per ton of iron stone	0	0	6
Copper, tin, lead or other metals.	2½ per cent. on the sale-value, at the pit's mouth, of the dressed ore or metal convertible at the option of the lessee into an equivalent charge per ton to be fixed annually or for a term.	0	8	0
Precious stones.	30 per cent. on value. (This applies only to finds. Conditions as to royalty will be determined in each case by the Government of India.)	......		
Mica	5 per cent. *ad valorem*	1	0	0
Phosphatic nodules.	5 per cent. on the market price of the crushed nodules.	0	4	0
Other kinds of minerals.	Such seigniorage fees or additional acreage assessment as may be fixed by the Board of Revenue according to the merits of each case and to the scale on which the mining operations are conducted.	...		

2/

3. The pattadar shall keep correct accounts in such form as the Collector directs showing the quantity and particulars of all minerals obtained from the mine and the number of persons employed therein; and shall also when directed by the Collector maintain complete plans of the mine; and shall allow any officer authorized by the Local Government in that behalf at any time to examine such accounts and plans and shall furnish the Local Government with such information and returns in respect of the aforesaid matters as it may prescribe.

4. The pattadar shall allow any officer authorized by the Local Government in that behalf to enter upon the premises over which mining operations are carried on for the purpose of inspecting the same.

5. The pattadar shall, without delay, send to the Collector a report of any accident which may occur at or in the said premises and also the discovery therein of any mineral not specified in the lease.

6. The pattadar shall be liable to restore the land to a state fit for cultivation or to securely and permanently fence in abandoned pits in cases in which the Collector may considers such restoration or fencing necessary. In default thereof it shall be open to the Collector to have the necessary work carried out from the security deposit referred to above.

7. No remission will be granted in respect of any land rendered unfit for surface cultivation by the carrying on of mining operations.

8. The amount of royalty or dead-rent payable to Government on account of minerals worked will be collected under the provisions of Madras Act II of 1864.

9. Should any question or dispute arise regarding the agreement or any matter or thing connected therewith or the powers of the pattadars thereunder or the amount or payment of the royalty or dead-rent made payable thereby, the matter in difference shall be decided by the Local Government, whose decision shall be final.

10. The rates of royalty or dead-rent shall be liable to be enhanced or the agreement to be determined in case of breach of any of the above conditions.

R.s. m. 607-1718 3.7.98

⊗ These have since been superseded vide Govt. of India's Resn. d/20.5.99 ([illegible])

K 7-15

× page 4 of the pamphlet

R.C. 23/1898.

18/6/98.

---

tion ~~namely~~. It has ma
pattadar liable for
king the mine in a prop
nner and also for any
rongful act or default on
part of ~~the~~ his nominee
is is practically tantamo
o not recognizing any
ssignment of the mining lease
which the pattadar may
hoose to make.

It is to be noted in the firs
[illegible] the [illegible]
to inspect the [illegible] between grai
iduity of the lessees to [illegible]cable
accidents and the discovery of
new minerals. The Board
[illegible] observes that it is
produce of
(ie patta la[illegible] [illegible]ient to enforce thes
in Malabar and Nilgi[illegible] for the present a
enfranchised shrotriem and minor
inams) the Govt. of India's rules f
are not applicable in their entirety
and the Local Govt. has in para
4 of S.O. No 15,× laid down that
persons intending to work ~~minor~~
minerals in such lands should
give notice of their intention t
the Collector [illegible]

The rate of royalty prescrib under the orders of the Govt of India for mining in shared mines" is the same as that fixed for State mines; but the dead-rent is one-half. (Please see paras 10–14 in pp 5–10 of the note in G.O. No 4218 d 25·10·95).

During the first year of the lease of state mines, the lessee is not required by the Govt of India rules to make good the amount by which the total royalty may fall short of the fixed dead-rent. It is a question whether such a concession should be given to the ~~holder~~ lessee of shared mines. It is not perhaps necessary inasmuch as the rate of dead-rent is comparatively very low.

Besides conditions (IX) (X) & (XI) in rule 23 which have been adopt by the Board, it is f [illegible] as consideration whether Cond, [illegible] (v), (viii) & (xv) in these to prescribe) the

27

C

4

addition ~~[illegible]~~. It has mad the pattadar liable for working the mine in a prop manner and also for any wrongful act or default on the part of ~~the~~ his nominee. This is practically tantamo to not recognizing any assignment of the mining lease which the pattadar may choose to make.

It is to be noted in the firs [illegible] that the condit[illegible]

(V) scarcely applies: the pattadar is mining on his own patta la

(VIII) is unnecessary: at presen at any rate

(XV) yes see N's note [illegible]

28

29

Same rule may not be adopted as well.

Mk
2/5/98

Secy

In addition to the rules proposed by the Board, it might be considered whether the following rules also should not be applied to mining in patta lands & other lands in which the State claim is limited to a share of the produce mined.

I As in rules 35 [19] & 41 [25] of the General rules the pattadar should submit a map of the ~~proposed~~ area on which it is proposed to mine; in default, the Collector to prepare such a map & recover the cost from the pattadar.

II As in rule 39 [23] (iv) the pattadar should at his own expense erect & at all times keep & maintain & [illegible]

As to I. [illegible]

Yes a map or sketch should be submitted. This will be very easy as he will only have to sketch in the boundaries of the mine patta area on the village map 39 [23]

18/6

As to II. As the operations are the pattadar's fields it seems scarcely to [illegible] requirement. The according to the demarcation to be shown in a plan annexed to his lease.

III. The Collector might be permitted to grant the lease. It need not go up to the Bd. or Govt.

IV. As to the term of the lease. Should Govt bind themselves not to increase the rates of royalty etc for 30 years? Perhaps the term should ~~follow~~ be regulated according to the term of the Surface assessment is. Any mining lease should expire or rather become liable to revision together with the surface assessment.

V. Please see Rule 39 [23] vii of the General Rules page 14 of the pamphlet. A mining lease on Govt land cannot be assigned or underlet without the previous consent of the Local Govt and no such assignment or underlease can be made to a Company [illegible] the consent [illegible] prescribed [illegible]

-perience is gained

SB

It is scarcely a lease: but only an agreement by which the pattahdar binds himself to accept the conditions. When these are settled the Collr. will issue them just as he does a land patta

AA

S.B. 18/8/98

On this point the Bd. may be consulted.

SB AA.

I doubt if we need interfere with the ryots subrenting. We hold him responsible.

SB

No needless restrictions should be imposed

AA

[illegible] is unnecessary at present at any rate

(SB) yes see W.S.'s note [illegible]

Flag D 2

Ex. 955 / 15.11.97 Flag E.

Flag G

VI Some a rule like General rule 39 [23] XV making the decision of the Local Govt final in cases of dispute shd be entered in the lease.

SB

Yes AA.

& usefulness of this rule was challenged by this Govt in letter No 365 dt 27.7.96 India's reply showing the conditions under which they wd approve of such assignment is their letter No 3036 dt 13. 82-2. This Govt has rejoined vide Mr Forbes' letter No 2 d 15.4.98. The object of the rule is to prevent speculation in land. It might be well to insert a similar rule ~~as to~~ in the leases to pattahdars ~~[illegible]~~ except that the Local Govt ~~[illegible]~~ should in this case be competent to sanction such assignment.

Some of the other Govt of India rules (vide Rule 39 [23] pp 13, 14 & 15 of pamphlet) seem applicable to mining in patta lands.

With regard [illegible]

Rule [illegible]

years -

circulated

by Govt.) f

remarks

31

"in any appreciable quantity" occurring therein do not occur in general rule 39 [23] x1 & should I submit be omitted. Questions & disputes wd arise as to what was an appreciable quantity.

Wh
10.6.98

Keyswell
GP
18/6/98

AH

tus/

The State shares in the mining products found in a puttahdar's land. I suppose the State can fix this share & wd. probably limit it to half the net outturn.

At present the proposal is to claim either a dead rent or a royalty rate. To secure the payment of this & the observance of other conditions the Bd. proposes to give a "lease or agreement". The term lease is inapt: for the [illegible]dar is the owner or or [illegible] owner or coshares. [illegible] general putta or agreement [illegible] [illegible] agreement [illegible]

Agreement is the more accurate word.
AH

32

I have noted in the margin of the office note as regards the conditions wh. may be imposed for the present.

With regard to the term during wh. the royalty or dead rent specified by the Bd. shd. be fixed, we may ask them as suggested on page 8 ~~of the~~ supra — whether it shd run contemporaneously with the land asst. or be for a period of 30 yrs. or revisable within any less period:

GP
18/6/98

Yes
AH
21.6.98

To H.E. the Governor

The draft Rules are susceptible of criticism and amendment. I think it would be well, however, before finally revising them, to obtain with respect to them the opinions of outsiders who are interested in mining and qualified to judge. I would suggest that printed the draft rules be sent, for comment, to [illegible] & Co. Arbuthnot & Co. and any other [illegible] [illegible] concerned in mining enterprise.

A.S.H.
4.7.98

Please draft accordingly sending the rules as proposed to be amended here

8.7.98 5/7/8

To Under Secy:-

Please see draft G.O. put up below for approval.

Secy
7.7.98

33

34

Revenue Department.

Slip II

(1) The Hon Mr Arundel CSI
(2) H.E. the Governor
29.6.98

Proceedings of the Board of Revenue
(Land Revenue) No.66 d/ 6-3-99. (C.No.--
1711/99).

To Secretary.
÷÷÷÷÷÷÷÷÷÷÷÷÷÷

Cus. 2212/98 I

With its Proceedings No.--
56, Land Revenue, dated 10-3-98, the --
Board of Revenue submitted for the appro-
val of Govt. the draft of a set of rules
for the regulation of mining in patta --
lands. The rules with a few modifica--
tions and additions accepted by the Hon'ble
~~ble~~ Mr. Arundel, were, at the desire of
H.E. the Governor, sent back to the Board
with the request that it should consult
Messrs Arbuthnot & Co., Binny & Co., --
Best & Co. and D.Leighton & Co. and any
other firms specially interested in mi--
ning enterprise, and submit for the con-
sideration of Govt. any criticism which
either these firms or the Board itself -
might have to offer. The Board was at --
the same time requested to report on the
question of the term for which the agree-
ment to be executed by the pattadars ---
should run, ie., whether it should run -
contemporaneously with the land assess--
ment or be for a period of thirty years -
or for any shorter period.

Vide pp. 1-11 of the notes supra &
O.M. No: 1987 29-8-98
H

Para 2 of O.M. 1987 29-8-98
H

2. The Board has circulated
the draft rules[x] (as revised by Govt.) f
remarks

Board

[x] printed as an appendix to O.M. No:
1987 29-8-98 H

~~H~~ 35

Para 2 of B.P. 66 d 6-3-99. (Cus. 1711)

II

remarks to the Collectors of North-Arcot, Godavari, Nellore, Trichinopoly and Vizagapatam, and to the following firms–Messrs. Arbuthnot & Co., Binny & Co., Best & Co., Leighton & Co., Eales & Co, H.M.Badsha Sahib & Co. and Stanes & Co. Of the firms consulted, Messrs Binny & Co. and Badsha Sahib & Co., were the only ones which responded to the Board's call, the latter stating that it had no remarks to offer. The points for orders are set out below, the most important of them being-

Para 3 of B.P. 66 d 6-3-99. (Cus. 1711/99).

II

(1). the question as to the period of the agreement to be entered into with the pattadar; and

(ii) the question as to whether the Govt. is to deal with the pattadar only or may recognise lessees under a pattadar.

Para 3(i) of B.P. d 6.3.99. (Cus. 1711/99).

II

3. As regards the question of the period of agreement, which was specifically referred to the Board for report in O.M.No.198 d/ 29-8-98, it would appear that the Collectors of Vizagapatam and Godavari consider that the agreement should run contemporaneously with the land assessment, while the Collector of Trichinopoly and Messrs Binny & Co. urge that the period should be thirty years. The Board itself observes--

H

"The draft rules× already provide that×
" Govt. is entitled to receive royalty
" from a pattadar carrying on mining
" operations on his patta land and --
that the charge is leviable ~~contem-~~

× The Board apparently refers to rule 2 which lays down that the pattadar shall pay dead-rent or royalty in addition to land assessment.

~~H~~ 36

"contemporaneously with the land assess-
"ment. This provision would seem to meet
"all requirements". From the Board's use of the expression that "the charge is -
"leviable contemporaneously with the --
"land assessment", it would appear, it is respectfully submitted, that it has not correctly apprehended the scope of the enquiry made by Govt. As it is, -- the Board has failed to report on the — period of agreement. Orders are requested as to whether the question should be again referred to the Board for report. In view of the circumstance that experience of mining in patta lands is very limited and that the draft rules under-consideration can at best be only tentative, it appears desirable that the period of agreement should be as short as possible, say five or ten years. In -- this view, the maximum period of thirty years allowed for a mining lease by the Govt. of India's rules appears, it is — submitted, too long for adoption, at any rate at the present time, in the case — of patta lands.

4. Next, as to the question whether Govt. should deal with the pattadar only or with a lessee under him who works the mine. — The Collector of Nellore considers it unadvisable to recognise ---- lessees under a pattadar. The Collector of Trichinopoly is of opinion that the provisions× of the draft rules which make the pattadar responsible for the proper working of the mine, keeping accounts-- and plans and reporting accidents, etc

Ilm. The same considerations as prevail in the case of mining in lands at the disposal of the Govt do not I submit apply in the case of mining in patta lands. We cannot prevent the pattadar mining if he so wishes & cannot ~~[illegible]~~ the privilege of mining transfer to any body else at the termination of the agreement. The object in fixing a period to the agreement is merely to provide an opportunity for revising the rules, should this be considered necessary. A special rule may be made that these agreements shd run & terminate contemporaneously with the settlement period.

Para 3(ii) of B.P. d 6-3-99 - Cus. 1711/99.

Ilm
28/6

This wd give unnecessary uncertainty & trouble where the term of settlement had only a short time to run - I think 20 years would be a sufficiently long period

28-6-99 -

AH
30/6 ?Ex Rules 1, 3, 4 & 5.

Yes. I would make it twenty years

22.7.99

will discourage pattadars ~~for~~ from allowing mining operations to be carried on on their lands, and holds that when the land is leased out, the actual miner and not the pattadar should be held responsible for complying with the provisions referred to. Messrs Binny & Co, it would appear, make similar comments. The Board of Rev:, while expressing adherence to the view already held in its Proceedings No. 56 d/ 10-3-98 (para 3) that the Govt. should deal with the pattadar only, observes as follows:- " There, however, seems no objection to the mining "lessee's arranging himself to carry "out the conditions prescribed in paragraphs 1,3,4 and 5 of the draft "rules provided the pattadar does not "object to such a course. There is of "course ~~of~~ nothing to prevent a pattadar from transferring his patta to the "lessee of the mining right if he "chooses. Such transfers do not ne"cessarily involve surrender of owner"ship and should be encouraged under "paragraph 3(2) of Standing Order No. "20 (New Edition)*". The question whether ~~the~~ lessees under a pattadar should be recognised by Govt. was raised at pages 4 and 8 of the notes supra and the view was expressed that the Govt. should hold the pattadar responsible. It will be seen that the H.M. has not recorded any opinion on the question. It is submitted that the Board's views do not appear to be

Cus. 2212/98 I

A.A.
A.G.H.

*-quoted below for facility of reference-

"In the case of a temporary transfer of property by the registered holder e.g. on lease, mortgage &c., the registry should not be altered, unless both the parties to the transfer present a joint application in writing to the Collr. or other duly authorised officer requesting that it may be effected. Orders will be passed at once on such application if it be attested by the karnam and the head of the village where the land is situate."

H.M.
The Govt may agree with the Bd
25.6.99

Yes H.S. 28.6.99

A.A. 30.6.99

In cases of mineral ...
at present

Yes see H.S.'s note

× The rules as proposed to be modified by the Board are printed as an appendix to the B.P.d 6.3.99. (Cus. 1711/99)

Slip II

... small scale, it would probably be more convenient to deal with the pattadar. But, in cases of large or costly undertakings, [illegible] such as coal or gold mining, it occurs to me that it would be easier to deal with the mining + company. Would it not be safer for Govt. to leave it open to themselves to deal either with the pattadar or the + (lessee) mining Company, as might seem best in each case? A.G.H. 22.7.99

"Pattadars intending to~~w~~ work or to allow to be worked minerals in their patta lands shall give notice of their intention to the Collr. of the district specifying the fields in which and the minerals for which they intend to carry on operations. Every such notice shall contain a map or sketch of the area over which it is proposed to mine. In default of the submission of such a map or sketch the Collr. shall have one prepared under his orders and recover the cost from the pattadars concerned. On receipt of the notice the Collr. shall allow operations to be carried on and shall have an agreement executed by the pattadars binding themselves to accept the following conditions and stipulations."

Para 3(iv)(4) of B.P.d 6-3-99 - Cus. 1711/99.

A.A. H.S. Yes
25.6.99

Para 3(iv)(1) of B.P.d. 6-3-99 - Cus. 1711/99

The point is that we have an accurate map where State survey fields are specified. I prefer may. H.S.

H.M.

I think it is better to insist on the map say "shall". If the survey map exists it is easy to get a copy or tracing of it & the file is at once complete. A.A.

It seems very advisable to have special maps of any areas when it is proposed to carry on mining operations. Submitted that the word "shall" may be restored.
25.6.99

~~be~~ open to objection and may be concurred in.

5. The Board× proposes certain alterations in the draft rules as revised by Govt. and referred to the Board for remarks with O.M.No.198 d/ 29-8-98. These will be set out below seriatim.

(a) Preamble to the rules (reproduced in the margin for facility of reference)

(i) The Board proposes the substitution of the words "to undertake or permit the working of "for the words" to work "or allow to be worked" and the insertion of the word "accurate" before the word "map", in the first and second sentences respectively of the preamble. The alterations are merely verbal, and may be accepted.

(ii) The Collector of Nellore suggests that the submission of the map or sketch may be dispensed with in respect of surveyed areas as the mere mention of the survey field or demarcated division should be sufficient. The Board considers that a map will be necessary when only a portion of a survey field is to be taken up and proposes that the Collector may be given the option of ~~ca~~ calling for a map in cases where he thinks it necessary. In this view, the Board substitutes " may " for " shall " in the 3rd sentence of the preamble. Submitted there appears no objection to the Collector being allowed the option as proposed by the Board.

(iii) With reference to the last sentence

sentence of the preamble which lays down that the Collector shall allow operations to be carried on, the Collector of Nellore points out that in some cases it would be objectionable to allow operations owing to proximity to a thoroughfare, or other grounds, and suggests the insertion of the words "if unobjectionable" between "shall" and "allow". The Board rightly observes that the suggested insertion is verbally unsuitable inasmuch as the Govt. has ordinarily no right to prevent a pattadar from working the minerals in his land, but at the same time considers "may" might be substituted for "shall". For orders.

Para 3(iv)(2) of B.P. d 6-3-99 - Cus. 17/11/99. II

I think it would be safe & proper to say "if he see no valid objection" -
H.S. 28-6-99 -

No harm
A.R.

E.g. public safety. The puttah land might run close to a river bank or a railway, either of wh. might fall in.
H.M.

"may" is safer; but it is unclear how in any special case we cd take advantage of the use of the permission
Ku 25.6.99

II

(iv) The Board recommends for approval a suggestion made by the Collector of Nellore that ~~as~~ the last sentence of the preamble may be modified so as to show that the agreement to be executed by the pattadar should be anterior to the commencement of operations. It is submitted that the suggested modification appears to be an improvement and may be adopted.

Paras 3(iv)(3) & (4) of B.P. d 6.3.99 (Cus. 17/11/99) - vide the preamble in the revised draft appended to the B.P.

II

Ku 25.6.99 H.S. A.R. A.E.H.

II

(v) At the instance of the same Collector it is proposed that a security deposit may be taken from the pattadar prior to the commencement of operations to cover the loss that may ensue if a field is rendered unfit for cultivation. The Board considers that the amount of deposit should be Rs.500, and that in petty cases the Collector may be authorised to reduce the amount to a sum not less than thirty times the assessment. It will be seen that under the rules for the mining of Mica (in Govt. lands) in the Nellore district., every lessee has to deposit a minimum security of Rs.500--pata 8 of G.O.618 d/ 13-11-96 and rule 19 of the rules at x page 6 of Board's Proceedings 130. Land Revenue, d/ 21-4-97. In its letter to the Govt. of India No.3915 d/ 28-7-97 the Govt. expressed the view that through the precaution of taking a deposit in the case of mining leases might not be necessary in the case of extensive operations which could not be undertaken without the command of capital, it was essential in the case of small operations like those of Mica-mining. The Govt. of ⊗ India agreed with the Govt. that it might be often well to demand a deposit, and rule 17 (1) of the new mining rules empowers the Local Govt. to require a deposit not exceeding Rs.500 to be made by the applicant for a mining-lease in any case or class of cases before the application is taken into consideration. In view of the above it is submitted that the Board's proposal may be accepted.

Para 3(v)(1) of B.P. d 6.3.99. (Cus. 17/11/99) - also preamble in the revised draft appended to B.P.

II

x at p.2 of G.O. 821 d 28.9.97. N

⊗ Govt. of India's letter at p.3 of G.O. 821 d 28.9.97. N

Accordingly for "be Rs500 in ordinary cases" I would say "not exceed Rs500". After "30 times the assessment" I wd add "of the area likely to be rendered uncultivable" -
A.R. H.S. H.M. A.E.H.

Yes
W.R.K. 25.6.99

K

M

O

(b) Rule 2. Rates of royalty and dead-rent.

Para 3(iii) of B.P. d 6.3.99 - Cus. 17/11/99.

The rates of royalty in this rule are those laid down in the Govt. of India's mining

mining rules now superseded. It is submitted that the rates laid down in the new mining rules may be substituted. The rates of dead-rent remain unaffected in the new rules.

The Board proposes that - the schedule of royalty and dead-rent may be made more complete by the inclusion of the rates in force for -- Mica and phosphatic nodules.

	Royalty	Dead-Rent. per acre.
Mica	5 per cent * ad.valorem	Rs1--0--0. *
Phosphatic Nodules.	× do	0--4--0. ⁰

The rate of dead-rent in these two cases proposed by the Board is the full dead-rent leviable in the case of Government lands, but it will be seen in the case of the other minerals only half rates have been adopted - for patta lands--please see page 6 of the notes supra. It is accordingly submitted that in the case of the two minerals in question, viz, Mica and Phosphatic nodules, only half rates may be entered.

(c). Rule 3-regarding maintenance of accounts, plans, etc.,

The Board recommends at the instance of the Collector of Nellore the insertion of the words " in such form as the Collector directs " after "accounts" -- and "when directed by the Collector ^maintain" after the words "and also". The proposed insertion is unobjectionable and

amount of deposit should may and

Vide schedule at p.18 of pamphlet put up.

Q/ Secy 25.6.99

WS

ASA

waste in case of Govt. land?

*Paras 2 + 4 of G.O. 618 d 13-11-96.

× (on the market price of the crushed nodules) - vide last sentence of G.O. 379 d 30-7-96.

⁰ para 2 of G.O. 991 d 10-3-96

~~The rates are very moderate - Pattadars have no rights to minerals. I would~~

Yes WS

This is an important point. I suppose half the ~~rate~~ waste rate levied on Govt land is reasonable. ASA R.H.

Hm.

Map done. But the rates of royalty & deadrent in the case of Shared mines are only tentative. The State Share is the halfnet which in a case in which anything is got out of the mine will be very much more probably than the proposed deadrent royalty

Para 3(iv)(4) of B.P. d 6.3.99 (Cir. 1711/99) - also appendix to B.P. II

ASA WS Secy 25.6.99

Para 3(v)(4) of B.P. d 6.3.99 (Cir. 1711/99) and rule 6 of the rules printed as an appendix to the B.P. II

Vide para 5(a)(v) of the note supra

× in G.O. 494 d 21-9-97

I would accept the rule but say - "The pattadar, if he relinquishes the whole or part of the land, shall be liable to restore the same" &c WS -

Hm. Secy 25.6.99

ASA R.H.

Para 3(v)(2)+(3) of B.P. d. 6-3-99 - Cir. 1711/99. (II)

may be approved.

(d). At the suggestion of the Collector of Godavari the Board proposes the adoption of the following rule as a precautionary measure.

" The pattadar shall be liable to restore "the land to a state fit for cultivation "or to securely and permanently fence in "abandoned pits in cases in which the -- "Collector may consider such restoration "or fencing necessary. In default thereof it shall be open to the Collector ~~or~~ "to have the necessary work carried out "from the security deposit referred to -- "above". The Imperial mining rules do not lay down any such rule; it will, -- however, be seen that the model form -- of mining× lease contains a clause binding the lessee to secure pits and shafts --- vide clause 4 of Part VII of the Schedule to the lease. Under para 8 of G.O.No. 618 d/ 13-11-96 lessees of ~~Mica Mines~~ ^mica mines in the Nellore dt. are held responsible for filling up pits excavated by them unless the royalty paid in respect of any such excavation exceeds Rs.200. Orders are requested as to whether the proposed rule may be accepted.

(e). The Collector of Nellore suggests that it may be laid down that the mineral obtained from a mine shall be treated as the property of Govt. until the payment of its dues and that provision may be -- made for the inspection of consignments. The Board points out that the Imperial mining

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mining rules do not lay down any such conditions, and observes that the provisions in the draft rules requiring the pattadars to keep correct accounts of minerals obtained and to allow any officer authorised by Govt. to inspect the mine and laying down that the royalty is recoverable under Madras Act II of 1864, are sufficient to ensure the due levy and realisation of Govt. dues. The Board adds that it fails to see how the whole of the mineral obtained could be declared the property of Govt. as Govt. claims only a share in the minerals in patta lands. Submitted that the Govt. may agree with the Board.

Hon.
ue
25.6.99

(f). The office ventures to submit that a rule may be added to the draft rules reserving to Govt. power to impose any additional conditions which it may consider necessary for the safe and efficient working of the mines, and for the recovery of the royalty. The addition of such a rule appears desirable in view of the limited experience of mining in patta lands.

Hon.
ue
25.6.99
yes

We want to encourage enterprise & don't want to create more uncertainties than we can help — This wd. be too vague I think?

Hon.
There wd. be no harm; it might prove useful. ue
25.6.99

(g). The heading and wording of the rules confine their operation to mining in patta lands. It is presumed that the rules are to be applicable mutatis mutandis to the other classes of shared mines--vide paras 2 and 4 of Board's Standing order No.15.

Vide p. 4 supra.

Yes ue
25.6.99
yes

A.S.H. 22.7.99

28-6-99

Ought not these rules to be approved by India?

A.S.H.
30.6.99

Hon.
Please see points for orders above ue

44

II

To Under Secretary.

(i) In paragraph 3(ii) of its Proceedings No. 66 dated the 6th March 1899 (Cir. 1711/99), the Board, while expressing the view that the Govt. should deal with the pattadar only, observed that there seemed no objection to the mining lessee's arranging himself to carry out the conditions prescribed in rules ⊗ 3, 4 and 5 of the draft rules appended to the B.P., provided that the pattadar had no objection to such a course. The Hon'ble Members have accepted the Board's view — page 16 of the note supra. H.E. the Governor [illegible] notes× as follows:— "In cases "of mining on a small scale "it would probably be "more convenient to deal "with the pattadar. But, in "cases of large or costly "undertakings, such as coal "or gold-mining, it occurs "to me that it would b

⊗ printed at pp. 5-6 of B.P. 66 d/ 6-3-99 — slipped II.

× pp. 16-17 supra

~~2~~ 45

"easier to deal with the
"mining company or lessee.
"Would it not be safer for
"Govt. to leave it open to
"themselves to deal with the
"pattadar or the mining
"company (lessee), as might
"seem best in each case?".

In its Proceedings No: 2224 Mis. d 13-7-99 (para 3), the Board in partial modification of its view restated above, considers that it would be convenient in the case of operations on a large scale if the mining lessee were allowed to carry out with the pattadar's consent also the condition regarding the payment of rent and royalty (rule 2 of the draft rules). Orders are requested.

(Cuo. 4610/99 - linked file)

Separated under, the Secy's orders and submitted to the Hon: Member. 7/8/99

ii) As regards the question raised at page 22 supra whether the draft rules ought to be approved by the Govt. of India, it is submitted that this does not appear necessary. Attention

Dy.
7/6/9

46

is, however, invited to paragraph 1 of the Govt. of India's letter dated the 20th June 1894 (printed at page 4 of G.O. No: 16 d 15.1.95), with reference to which the draft of the Board's Standing Order at pages 7 et seq. of G.O. 16 d 15.1.95 was communicated to the Govt. of India for information - please see para 2 of the G.O. In view of the above, it is submitted that a copy of the draft rules as ~~fi~~ finally approved by the Govt. may be sent to the Govt. of India for its information.

P.E.
25.7.99.

Secy
This was to be done
30.7.99

Secy

As regards the ~~matter~~ question of dealing with the pattadar or the miner, it is submitted that the Government cannot deal with the miner except by consent of the pattadar. For in patta lands Gov

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claims only a share of the mineral produce if & when it is won. Govt does not claim the right to insist that the pattadar shall lease his mining right to any particular person or shall mine at all. If the miner & the pattadar agree that the miner shall carry out conditions 1. 2. 3. 4 & 5 of the pattadars agreement with Govt (an agreement enforceable under the sanction contained in Note 4 to para 4 of B.S.O No 15. See G.O. 879 & 25 May 97 & letter to India accompanying); then Govt may recognise ~~the~~ such agreement between miner & pattadar; ~~[illegible]~~ ~~[illegible]~~ and this is what the Board seems to suggest. But it is submitted that the pattadar cannot be released from his ultimate liability for the "Govt's share". Nor is it, I submit, clear

U.S. The Bd. also ment.d draft rule 1.
[illegible]
2899

Sec
1 was accidentally omitted. I have inserted it to make the hypothesis the same as the Bd's proposal. But no very sound reason suggests itself why the miner should not undertake to be bound by all the conditions of the pattadar's agreement. The conditions [illegible] refer to [illegible].
4/8/99

Note. Because from the pattadar we can recover under the Rev. Recovery Act from the miner by civil suit only as far as I can see
4/8/99

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how the Govt could enforce its wish to deal direct with the miner if the pattadar objected.

1.8.99

Orders will be taken on the point when the draft G.O. is submitted. Draft to be prepared

7.8.99.

To Under Secretary.

Please see the draft order placed below the note.

8/8/99

Sec

Please see revised draft.

~~Report below~~ A blank is left for the orders on the point stated in the notes above on pp 23 & 24 & again on pp 25 & 26. H.M.'s & H.E.'s notes are on pp. 16 (at foot) & p 17.

15/8/99

U.S.

Please fill up the blank by drafting according to views of majority. Then I will re-cast.

(Intd) H. D. 17/8/99.

Secy.

Please see draft para 4 now filled in for approval.

(Intd) N. E. M.
19/8/99.

A: to be printed in full

Print - urgent
8/9/99

H.M.
H.E. the Govr. (with Special ref. to para 4)

H.S.
27-8-99.

A.E.H.
1.9.99

Revenue Department.

(A) Read Board's Proceedings No.56, L.Rev: d/ 10-3-98 (C.No.2212/98).

(A) " O.M.No.198 d/ 29-8-98.

(A) " Board's Proceedings No.66 Land Rev: d/ 6-3-99 (C.No.1711/99).

Order Press:- No. 607 d/8th September 1899

The Government ~~will~~ proceeds to take into consideration the revised draft rules submitted by the Board of Revenue for regulating mining in patta-lands.

2. The most important questions that arise for consideration are - (i) - whether the agreement to be executed by the pattadars should run ~~contemporaneously with~~ for the same period as that for which the land assessment is settled, or be for ~~a period of~~ thirty years, or for any less period; and (ii) whether the Govt: should deal with the pattadar ~~only~~ alone, or may recognise any lessee ~~under him~~ who works the mine under him.

3. As to ~~the~~ question (i) ~~of the the term~~

28

51

~~term for which the agreement to be executed by the pattadar should run, the Government considers that~~ if the agreement be made to run ~~run~~ contemporaneously with the settlement of the land assessment unnecessary, ~~uncertainty and~~ trouble will ~~would~~ be caused in cases where the ~~term~~ term of settlement is nearing its close ~~had only a short time to run~~. The Government considers it to be preferable ~~that~~ that the agreement should be for a period of twenty years in all cases.

4. As regards ~~the other~~ question (ii) ~~namely, whether the Govt. should deal with the pattadar alone or may recognise any lessee who works the mine under him~~, the Board of Revenue, while expressing the view that the Govt. should deal with the pattadar alone, observes in para 3(ii) of the second of its Proceedings read above, that there seems no objection to the mining lessee arranging himself to carry out the conditions prescribed in rules 1, 4, and 5 of the draft rules, provided that the pattadar does not object to such

II

a

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Please see page 24 of the note.

x Para 3 (ii) of B.P. (Slip II)

Mis. No: 2224 d. R.d. 13-7-99 in Go. Mis. No. 2934 Recd 12-8-99

a course. In a subsequent proceedings, the Board, in partial modification of the above view, suggests that it would be convenient in the case of operations on a large scale if the mining lessee be allowed to carry out with the pattadar's consent also the provision in rule 2 of the draft rules regarding the payment of rent and royalty. The Govt. concurs in the Board's views. Even where lessees under a pattadar are recognised, however, the pattadar's ultimate responsibility will of course subsist, inasmuch as the rent and royalty will be collected under the provisions of Act II of 1864 (Madras). The Govt. also agrees with the Board that there is nothing to prevent a patta dar from transferring his patta to the lessee of the mining right, and that such transfers do not necessarily invo surrender of ownership and should be e couraged.

II

5. The revised draft rules appended to the second of the Board's Proceedings read above are approved, subject to the following remarks:-

(i) Preamble to the rules:-

In the third sentence of the preamble, the Board has substituted the word "may" for "shall", thus leaving the Collector the option of dispensing with the map in cases where he may consider it unnecessary. The Govt. considers it expedient that the map should be insisted on in every case. The word "shall" will accordingly be restored.

(ii) Ibid.

The words "if he see no valid objection" should be inserted between the words "may" and "allow" in the fourth sentence of the preamble.

(iii) Ibid.

The following should be substituted for the last sentence of the preamble.- "The amount of deposit shall not exceed "Rs.500, and the Collector shall have "discretion to reduce the maximum amount

amount in petty cases to a sum not less "than thirty times the assessment of the "area likely to be rendered uncultivable."

(iv) Rule 2.

The rates of royalty entered in -- this rule should be revised so as to -- accord with the rates prescribed by the mining rules recently issued by the Govt: of India. In the case of mica and ---- phosphatic nodules, the rate of dead-rent entered in the rule is the full -- rent leviable in lands in which the -- Govt. has the full right to minerals, -- whereas in the case of the other minerals only half rates have been adopted for -- patta lands. vide G.O.No.4218 d/25-10-95 The Government considers that in the case of mica and phosphatic nodules also, -- only half the rates should be levied.

Slip C

(v) Rule 5.

For the word "lease" occurring in this rule, the word "agreement" should be substituted.

(vi) Rule 6.

The first sentence of the -- rule

rule should be modified as shown below:-

" The pattadar, if he relinquishes the "whole or part of the land, shall be -- "liable to restore the same to a state "fit for cultivation" &c.

(vii) Ibid. The following should be added at the end of the last sentence of the rule -

(In practice it would be generally impossible for the Collector to restore the land to a cultivable state, if it had been rendered uncultivable - Better make the pattadar liable to forfeit 30 times the assessment - Add to last sentence of the rule ——

"or to deduct from the security deposit and carry to the credit of Govt. thirty times the assessment of the land so rendered uncultivable"

H.S. -

6. The rules as revised with ---- reference to the foregoing remarks are printed as an appendix to this order. The heading and wording of the rules -- limit their operation to mining in --- patta lands. The Govt. considers that the same rules should be applicable --- mutatis mutandis to the other classes - of lands in which the Government -- - claims a share of the minerals ~~wrought~~ output -

H.S. - 27-8-99

15/8/99

22 8 99

A.S.H. 1.9.99

A

Sec. With this amendment the G.O. may issue? 7/9/99

8 9 99

To the Board of Rev: L.R.

Dd. 28.9.99

Dd. 28.9.99.

Endorsement. No. 607 A.

Copy to the Govt. of India, Revenue and Agricultural Department.

15/8/99

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Government (1899) of Madras.

REVENUE.

Recd. } 1899.
Regd.

Enclosures
Spare copies

G.O., Nos. 607, 607A, 8th September 1899.

SEPTEMBER.

Rules for regulating mining in Patta Lands.

Approving, subject to certain remarks, the revised draft —, submitted by the Board of Revenue.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

Read—the following Proceedings of the Board of Revenue (Land Revenue), No. 56, dated 10th March 1898 :—

Read—again Proceedings of the Board of Revenue (Land Revenue), No. 240, dated 16th July 1897.

Abstract.—Communicating to all Collectors, for information and guidance, with remarks, Government Orders, Revenue Department, approving, subject to remarks, the draft Standing Order regarding quarrying and mining and the Board's proposals that pattadars excavating *mica* on a large scale be compelled to take out mining leases instead of prospecting licenses and that the penal rate of royalty be fixed at 25 instead of at 50 per cent., requesting the Board to submit a set of draft rules regarding the conditions and stipulations under which mining in patta lands is to be permitted, and addressing the Government of India on the subject of the reservation by the State of full rights to minerals in unoccupied ryotwari lands.

Read—also Memorandum from the Acting Under Secretary to Government, Revenue Department, No. 409, dated 13th November 1897.

Abstract.—Requesting the Board to submit an early reply to G.O., No. 3211, dated 25th June 1897, regarding mining for mica in patta lands.

Resolution—No. 56, dated 10th March 1898.

With reference to paragraph 3 of G.O., No. 3211, dated 25th June 1897, the Board submits, for the approval of Government, a set of draft rules for regulating mining in patta lands.

2. In paragraph 6 of its Order, No. 379, dated 25th May 1897, Government observed that, under the sanction accorded by the rule contained in note (4) to paragraph 4 of the revised Standing Order No. 15, nearly all the conditions of working as set forth in the general mining rules might be enforced in the case of a pattadar conducting mining operations on his own land. The Board submits that, for the present, it will be sufficient to enforce the conditions specified in the appendix. It will not be in a position to suggest any further conditions and stipulations of a general character until some actual applications for leases shall have been received.

3. The principal question for consideration is whether Government should, in this matter, deal with the pattadar or with his lessee who works the mine. The Board is of opinion that Government should deal with the pattadar only. The view accepted by the Secretary of State in his despatch No. 49, dated 12th July 1883, was that the pattadar was to pay a special assessment if he worked mines and it is to the pattadar that Government should look for the payment of its dues.

4. If the Government approves of the rules, the Government Solicitor will be requested to draw up a form of agreement or lease embodying the conditions specified in the appendix.

(True Extract.)

(Signed) R. C. C. CARR,
Secretary.

To the Secretary to Government, Revenue Department.

Appendix.

Rules for regulating mining in patta lands.

Official Memorandum No. 198, Revenue.

Before finally issuing the draft rules framed by the Board of Revenue for regulating mining in patta lands with the additions shown in italics, the Government will be glad if the Board of Revenue will consult Messrs. Arbuthnot & Co., Binny & Co., Best & Co. and Messrs. D. Leighton & Co., and any other firms specially interested in mining enterprise, and submit for the consideration of Government any criticism which either they or the Board itself may see fit to offer.

2. The Board is requested to report on the question of the term for which the agreement to be executed by the pattadars should run, *i.e.*, whether it should run contemporaneously with the land assessment or be for a period of thirty years or for any less period.

Ootacamund,
29th August 1898.

(Signed) G. S. FORBES,
Secretary to Government.

To the Board of Revenue (Land Revenue),
with copy of rules.

Appendix.

Rules for regulating mining in Patta Lands.

Pattadars intending to work *or to allow to be worked* minerals in *their* patta lands shall give notice of their intention to the Collector of the district specifying the fields in which and the minerals for which they intend to carry on operations. *Every such notice shall contain a map or sketch of the area over which it is proposed to mine. In default of the submission of such a map or sketch the Collector shall have one prepared under his orders and recover the cost from the pattadars concerned.* On receipt of the notice, the Collector shall allow operations to be carried on *and shall have an agreement executed by the pattadars binding themselves to accept* the following conditions and stipulations :—

1. In all cases the pattadar shall be held responsible for working the mine in a proper manner and shall also be directly liable to Government for any wrongful act or default on the part of his nominee.

2. The pattadar shall be liable to pay in addition to land assessment a royalty or dead-rent, whichever may be the greater in amount, at the following rates :—

	Royalty.	Dead-rent per acre (minimum).		
		RS.	A.	P.
Coal (exclusive of dust and coal used on the works).	2 annas per ton	0	2	0
Oil	8 annas per 40 gallons or 5 per cent. *ad valorem.*	0	8	0
Gold or silver...	7½ per cent. of value of gold or silver extracted.	0	8	0
Iron	½ anna per ton of iron stone	0	0	6
Copper, tin, lead or other metals.	2½ per cent. on the sale-value, at the pit's mouth, of the dressed ore or metal convertible at the option of the lessee into an equivalent charge per ton to be fixed annually or for a term.	0	8	0
Precious stones.	30 per cent. on value. (This applies only to finds. Conditions as to royalty will be determined in each case by the Government of India).	...		
Other kinds of minerals.	Such seigniorage fees or additional acreage assessment as may be fixed by the Board of Revenue according to the merits of each case and to the scale on which the mining operations are conducted.	...		

3. The pattadar shall keep correct accounts showing the quantity and particulars of all minerals obtained from the mine and the number of persons employed therein; and also complete plans of the mine, and shall allow any officer authorized by the Local Government in that behalf at any time to examine such accounts and plans and shall furnish the Local Government with such information and returns in respect of the aforesaid matters as it may prescribe.

4. The pattadar shall allow any officer authorized by the Local Government in that behalf to enter upon the premises over which mining operations are carried on for the purpose of inspecting the same.

5. The pattadar shall, without delay, send to the Collector a report of any accident which may occur at or in the said premises and also the discovery therein of any mineral not specified in the lease.

6. No remission will be granted in respect of any land rendered unfit for surface cultivation by the carrying on of mining operations.

7. The amount of royalty or dead-rent payable to Government on account of minerals worked will be collected under the provisions of Act II of 1864 (Madras).

8. *Should any question or dispute arise regarding the agreement or any matter or thing connected therewith or the powers of the pattadars thereunder or the amount or payment of the royalty or dead-rent made payable thereby, the matter in difference shall be decided by the Local Government, whose decision shall be final.*

9. The rates of royalty or dead-rent shall be liable to be enhanced or the *agreement* to be determined in case of breach of any of the above conditions.

READ—also the following Proceedings of the Board of Revenue (Land Revenue), No. 66, dated 6th March 1899 :—

Read—replies from certain firms and Collectors to Board's Proceedings, No. 245, dated 13th September 1898, calling for remarks on the draft rules for regulating mining in patta lands.

Resolution—No. 66, dated 6th March 1899.

In its Official Memorandum No. 198, dated the 29th August 1898, Government desired the Board to circulate its draft rules for the regulation of mining in patta lands for the remarks of Messrs. Arbuthnot & Co., Binny & Co., Best & Co., D. Leighton & Co., and any other firms specially interested in mining enterprise, and to report on the question of the term for which the agreement to be executed by the pattadars should run, *i.e.*, whether it should run contemporaneously with the land assessment or be for a period of 30 years or for any less period.

2. The draft rules were accordingly circulated to the firms specified in the margin * and the Collectors of the marginally-noted † districts were requested to submit their remarks on the rules and to report on the term of the agreement to be executed by the pattadars. Replies were received from only two of the firms consulted, viz., Messrs. Binny & Co. and H. Muhammad Badsha Sahib & Co. Reminders were sent to the other firms on the 3rd November and 17th December 1898, but none of them have as yet responded to the requisition. In its last reminder, the Board intimated that if no remarks were received from them before the 10th January 1899, it would presume that they had no suggestions or criticisms to offer and would submit its proposals to Government without waiting for any communication on the subject.

* Messrs. Arbuthnot & Co.
" Binny & Co.
" Best & Co.
" D. Leighton & Co.
" Eales & Co.
" H. Muhammad Badsha Sahib & Co.
" Stanes & Co.

† North Arcot.
Gódávari.
Nellore.
Trichinopoly.
Vizagapatam.

3. The Collector of North Arcot and Messrs. H. Muhammad Badsha Sahib & Co. state that they have no remarks to offer. The suggestions made by the other Collectors and Messrs. Binny & Co. are dealt with below :—

(i) *Period of agreement.*—The Collectors of Vizagapatam and Gódávari consider that the agreement to be executed by the pattadars should run contemporaneously with the land assessment. The latter officer observes that it should be distinctly laid down that the rates of royalty and dead-rent specified in rule 2 shall be liable to revision on the occasion of resettlement of land revenue so as to accord with the general rules of the Government of India.

The Collector of Trichinopoly is of opinion that the period should be 30 years. If it should run contemporaneously with the land assessment, he considers the period might be too short and the lease would have to be renewed at some trouble and expense. Messrs. Binny & Co. are of the same opinion, but they add that lessees should be permitted to relinquish the lands after giving six months' notice to the Collector.

The Board observes that the draft rules already provide that Government is entitled to receive royalty from a pattadar carrying on mining operations on his patta land and that the charge is leviable contemporaneously with the land assessment. This provision would seem to meet all requirements. In case mining operations are carried on after a patta has been relinquished, the miner, whoever he may be, whether the former pattadar or his lessee, will have to take out an ordinary mining lease. The Board may observe that as a general rule, where persons intend to carry on regular mining operations, it would be more convenient if the pattas were relinquished and ordinary mining leases taken out.

(ii) *Whether Government should deal with the pattadar or with his lessee who works the mine.*—The Collector of Nellore considers it unadvisable to recognize lessees under a pattadar. If they desire separate recognition by Government they should in his opinion take steps to obtain a transfer of patta. The Collector of Trichinopoly considers that when the land is leased out to a third party for the purpose of working minerals, the actual miner and not the pattadar should be held responsible for complying with the provisions contained in paragraphs 1, 3, 4 and 5 of the draft rules as it is not likely that the pattadar will incur the trouble and responsibility involved. In the Collector's opinion, these conditions will discourage pattadars from allowing mining operations to be carried on. Messrs. Binny and Co. make similar comments and inquire whether it would not be advisable to give the pattadar the option of transferring his title to the surface rights to the person to whom he grants a lease of his lands for mining purposes. The latter person would then become the pattadar, bound to pay arrears of assessment, if any, and ready to execute the required mining lease.

On this point the Board adheres to the opinion already expressed in paragraph 3 of its Proceedings, No. 56, dated 10th March 1898, viz., that Government should deal with the pattadar only. There, however, seems no objection to the mining lessee's arranging himself to carry out the conditions prescribed in paragraphs 1, 3, 4 and 5 of the draft rules provided the pattadar does not object to such a course. There is of course nothing to prevent a pattadar from transferring his patta to the lessee of the mining right if he chooses. Such transfers do not necessarily involve surrender of ownership and should be encouraged under paragraph 3 (2) of Standing Order No. 20 (New Edition).

(iii) *Royalty.*—The Collector of Nellore reports that mica is the chief mineral in his district and considers that the rate of royalty should be the same as that levied in the case of waste lands, viz., 5 per cent. *ad valorem.* He accordingly suggests that a schedule of royalty should be attached to the last clause of paragraph 2 of the rules.

Messrs. Binny and Co. are of opinion that the rate may be fixed at 2½ per cent. on sale value.

The Board observes that the Government of India has already decided in the letter No. 646—22, dated 28th February 1895, communicated with Government Order, No. 4218, dated 25th October 1895, that the rate of royalty to be levied for mining in patta lands should not be smaller in amount than that levied in the case of Government lands. It accordingly proposes that the rates of royalty and dead-rent already fixed for mica and phosphatic nodules be embodied in the table appended to paragraph 2 of the rules.

	Royalty	Dead-rent. RS.	A.	P.
Mica ...	5 per cent *ad valorem.*	1	0	0
Phosphatic nodules.	5 per cent. on the market price of the crushed nodules ...	0	4	0

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3. The pattadar shall keep correct accounts in such form as the Collector directs showing the quantity and particulars of all minerals obtained from the mine and the number of persons employed therein; and shall also when directed by the Collector maintain complete plans of the mine; and shall allow any officer authorized by the Local Government in that behalf at any time to examine such accounts and plans and shall furnish the Local Government with such information and returns in respect of the aforesaid matters as it may prescribe.

4. The pattadar shall allow any officer authorized by the Local Government in that behalf to enter upon the premises over which mining operations are carried on for the purpose of inspecting the same.

5. The pattadar shall, without delay, send to the Collector a report of any accident which may occur at or in the said premises and also the discovery therein of any mineral not specified in the lease.

6. The pattadar shall be liable to restore the land to a state fit for cultivation or to securely and permanently fence in abandoned pits in cases in which the Collector may consider such restoration or fencing necessary. In default thereof, it shall be open to the Collector to have the necessary work carried out from the security deposit referred to above.

7. No remission will be granted in respect of any land rendered unfit for surface cultivation by the carrying on of mining operations.

8. The amount of royalty or dead-rent payable to Government on account of minerals worked will be collected under the provisions of Madras Act II of 1864.

9. Should any question or dispute arise regarding the agreement or any matter or thing connected therewith or the powers of the pattadars thereunder or the amount or payment of the royalty or dead-rent made payable thereby, the matter in difference shall be decided by the Local Government, whose decision shall be final.

10. The rates of royalty or dead-rent shall be liable to be enhanced or the agreement to be determined in case of breach of any of the above conditions.

Order—No. 607, Revenue, dated 8th September 1899.

Miscellaneous.

The Government proceeds to take into consideration the revised draft rules submitted by the Board of Revenue for regulating mining in patta lands.

2. The most important questions that arise for consideration are (i) whether the agreement to be executed by the pattadars should run for the same period as that for which the land assessment is settled, or be for thirty years, or for any less period; and (ii) whether the Government should deal with the pattadar alone, or may recognize any lessee who works the mine under him.

3. As to question (i), if the agreement be made to run contemporaneously with the settlement of the land assessment, unnecessary trouble will be caused in cases where the term of settlement is nearing its close. The Government considers it to be preferable that the agreement should be for a period of twenty years in all cases.

4. As regards question (ii), the Board of Revenue, while expressing the view that the Government should deal with the pattadar alone, observes in paragraph 3 (ii) of the second of its Proceedings read above, that there seems no objection to the mining lessee himself arranging to carry out the conditions prescribed in rules 1, 3, 4 and 5 of the draft rules, provided that the pattadar does not object to such a course. In a subsequent proceedings, Mis. No. 2224, Land Revenue, dated 13th July 1899, in G.O., Mis. No. 2937, Revenue, dated 12th August 1899, the Board, in partial modification of the above view, suggests that it would be convenient in the case of operations on a large scale if the mining lessee be allowed to carry out with the pattadar's consent also the provision in rule 2 of the draft rules regarding the payment of rent and royalty. The Government concurs in the Board's views. Even where lessees under a pattadar are recognized, however, the pattadar's ultimate responsibility will of course subsist, inasmuch as the rent and royalty will be collected under the provisions of Act II of 1864 (Madras). The Government also agrees with the Board that there is nothing to prevent a pattadar from transferring his patta to the lessee of the mining right, and that such transfers do not necessarily involve surrender of ownership and should be encouraged.

5. The revised draft rules appended to the second of the Board's Proceedings read above are approved, subject to the following remarks:—

(i) *Preamble to the rules.*—In the third sentence of the preamble, the Board has substituted the word "may" for "shall," thus leaving the Collector the option of dispensing with the map in cases where he may consider it unnecessary. The Government considers it expedient that the map should be insisted on in every case. The word "shall" will accordingly be restored.

(ii) *Ibid.*—The words "if he see no valid objection" should be inserted between the words "may" and "allow" in the fourth sentence of the preamble.

(iii) *Ibid.*—The following should be substituted for the last sentence of the preamble:—

> "The amount of deposit shall not exceed Rs. 500, and the Collector shall have discretion to reduce the maximum amount in petty cases to a sum not less than thirty times the assessment of the area likely to be rendered uncultivable."

(iv) *Rule* 2.—The rates of royalty entered in this rule should be revised so as to accord with the rates prescribed by the mining rules recently issued by the Government of India. In the case of mica and phosphatic nodules, the rate of dead-rent entered in the rule is the full rent leviable in lands in which the Government has the full right to minerals, whereas in the case of the other minerals only half rates have been adopted for patta lands (*vide* Government Order, No. 4218, dated 25th October 1895). The Government considers that in the case of mica and phosphatic nodules also, only half the rates should be levied.

(v) *Rule* 5.—For the word "lease" occurring in this rule, the word "agreement" should be substituted.

(vi) *Rule* 6.—The first sentence of the rule should be modified as shown below:—

> "The pattadar, if he relinquishes the whole or part of the land, shall be liable to restore the same to a state fit for cultivation," &c.

(vii) *Ibid.*—The following should be added at the end of the last sentence of the rule:—

> "or to deduct from the security deposit and carry to the credit of Government thirty times the assessment of the land so rendered uncultivable."

6. The rules as revised with reference to the foregoing remarks are printed as an appendix to this order. The heading and wording of the rules limit their operation to mining in patta lands. The Government considers that the same rules should be applicable *mutatis mutandis* to the other classes of lands in which the Government claims a share of the mineral output.

(True Extract.)

(Signed) H. TREMENHEERE,
Ag. Secretary to Government.

To the Board of Revenue (Land Revenue).

Endorsement No. 607A.

Copy to the Government of India, Revenue and Agricultural Department.

(Signed) N. E. MARJORIBANKS,
Ag. Under Secretary to Government.

[Appendix.

APPENDIX.

Rules for regulating Mining in Patta Lands.

Pattadars intending to undertake or permit the working of minerals in their patta lands shall give notice of their intention to the Collector of the district specifying the fields in which and the minerals for which they intend to carry on operations. Every such notice shall contain an accurate map or sketch of the area over which it is proposed to mine. In default of the submission of such a map or sketch, the Collector shall have one prepared under his orders and recover the cost from the pattadars concerned. On receipt of the notice, the Collector may, if he see no valid objection, allow operations to be commenced on the pattadars executing an agreement binding themselves to accept the following conditions and stipulations and on their depositing as security such sum as the Collector may consider sufficient to cover the loss that may ensue if the land is rendered unfit for cultivation. The amount of deposit shall not exceed Rs. 500, and the Collector shall have discretion to reduce the maximum amount in petty cases to a sum not less than thirty times the assessment of the area likely to be rendered uncultivable :—

1. In all cases the pattadar shall be held responsible for working the mine in a proper manner and shall also be directly liable to Government for any wrongful act or default on the part of his nominee.

2. The pattadar shall be liable to pay in addition to land assessment a royalty or dead-rent, whichever may be the greater in amount at the following rates :—

	Royalty.	Dead-rent per acre (minimum). RS.	A.	P.
Coal (exclusive of dust and coal used on the works).	1 anna per ton	0	2	0
Oil	8 annas per 40 gallons or 5 per cent. *ad valorem* on gross value.	0	8	0
Gold or silver ...	7½ per cent. on the net profits of each year taken separately.	0	8	0
Iron	½ anna per ton of iron-stone	0	0	6
Copper, tin, lead or other metals.	2½ per cent. on the sale-value at the pit's mouth or on the surface, of the dressed ore or metal convertible at the option of the pattadar into an equivalent charge per ton to be fixed annually or for a term.	0	8	0
Precious stones	30 per cent. on the net profits of each year taken separately.	......		
Mica	5 per cent. *ad valorem*	0	8	0
Phosphatic nodules.	5 per cent. on the market price of the crushed nodules.	0	2	0
Other kinds of minerals.	Such seigniorage fees or additional acreage assessment as may be fixed by the Board of Revenue according to the merits of each case and to the scale on which the mining operations are conducted.	......		

3. The pattadar shall keep correct accounts in such form as the Collector directs showing the quantity and particulars of all minerals obtained from the mine and the number of persons employed therein; and shall also when directed by the Collector maintain complete plans of the mine; and shall allow any officer authorized by the Local Government in that behalf at any time to examine such accounts and plans and shall furnish the Local Government with such information and returns in respect of the aforesaid matters as it may prescribe.

4. The pattadar shall allow any officer authorized by the Local Government in that behalf to enter upon the premises over which mining operations are carried on for the purpose of inspecting the same.

5. The pattadar shall, without delay, send to the Collector a report of any accident which may occur at or in the said premises and also the discovery therein of any mineral ~~not specified in the agreement.~~ other than the mineral or minerals specified in the notice given by him in accordance with the preamble to these rules and shall also pay in respect of such mineral either royalty or deadrent as provided in rule 2 supra (G.O. 834 of 2-2-1900).

6. The pattadar, if he relinquishes the whole or part of the land, shall be liable to restore the same to a state fit for cultivation or to securely and permanently fence in abandoned pits in ases in which the Collector may consider such restoration or fencing necessary. In default hereof, it shall be open to the Collector to have the necessary work carried out from the ecurity deposit referred to above or to deduct from the security deposit and carry to the credit of Government thirty times the assessment of the land so rendered uncultivable.

7. No remission will be granted in respect of any land rendered unfit for surface cultivation by the carrying on of mining operations.

8. The amount of royalty or dead-rent payable to Government on account of minerals worked will be collected under the provisions of Madras Act II of 1864.

9. Should any question or dispute arise regarding the agreement or any matter or thing connected therewith or the powers of the pattadars thereunder or the amount or payment of the royalty or dead-rent made payable thereby, the matter in difference shall be decided by the Local Government, whose decision shall be final.

10. The rates of royalty or dead-rent shall be liable to be enhanced or the agreement to be determined in case of breach of any of the above conditions.

Exd. A. Rangasawmy Aiyangar.

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