

Revenue (1897) Department.

MISCELLANEOUS SERIES.

G.O., No. 4970

DATED 21 Sept 97

[Despatch Abstract.]

Concerning the R.O. of Revenue for information
& guidance Govt. of India circulars for and
revised forms of exploring license, prospecting
license & mining license.

BACK PAPERS.

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

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
Em 15383	177		10/6/97				
Cm.	2236		8/3/97				
	2302		6/4/97				

1897.
GOVERNMENT OF INDIA.
DEPARTMENT OF REVENUE AND AGRICULTURE.
GEOLOGY & MINERALS.

File No. 10 of
1897.
Serial No. 8.

ALL LOCAL GOVERNMENTS AND ADMINISTRATIONS.

Circular No. $\frac{21}{10-8}$

Dated Simla, the 31st August 1897.

Communicated to the
Board of Revenue for
information and guid-
ance.

To the Board (L.R.)

SUBJECT. Revised forms for exploring license, prospecting license and mining lease.

Circular No. $\frac{21}{10-8}$

FROM

E. MACONCHIE, Esq., C.S.,

Offg. Under-Secretary to the Government of India,

To

The Secretary to the Government of Madras.

Dept. of Rev. & Agri.
Geology & Minerals.

Simla, the 31st August 1897.

SIR,

WITH reference to the circulars from this Department Nos. 22-43-11, dated 12th October 1895, and 28-43-13, dated 18th December 1895, I am directed to forward copies of revised forms of exploring license, prospecting license, and mining lease, and to request that they may be adopted in so far as they may be applicable to concessions which may hereafter be granted.

2. The forms have been revised in consequence of a representation made to the Government of India that the general frame and language of the standard forms were too technical and complicated, while they stood in need of alteration in respect of certain points of detail.

3. As regards the general charge of over-technicality, it must be remembered that explorers, prospectors, and lessees are generally shrewd European speculators who are quite able to understand and appreciate the terms of a contract. The mining lease in particular is a concession for a long term of years of rights which are often exceedingly valuable, and too much care cannot be taken to draw it up in strict legal form, so as adequately to secure the rights of Government and to stand the test of judicial examination. This consideration does not, however, apply with equal force to exploring and prospecting licenses, which directly confer no rights of any great value, and which ordinarily run only for a single year; and the form of prospecting license, which was especially open to the charge of obscurity, has therefore been recast in simpler language.

4. The question has also been raised how far these forms are authoritatively prescribed. I am to point out that the form of mining lease was sent out with Circular No. 22-43-11, dated the 12th October 1895, with the request that it might

Go 4520
13-11-97

Go 4520
13-11-97

be adopted "so far as it might be applicable to any particular concession." It was based upon a previous form which the Government of India had sanctioned for a particular concession, it is adapted to the case of a coal mine, and it contains certain minor conditions which are in addition to those specified in the rules. Rule 23 of the Mining Rules empowers Local Governments to make "such conditions and stipulations as they may in each case consider necessary," provided that they are compatible with and include certain specified conditions. The exploring and prospecting license forms were prepared at the request of certain Local Governments who asked for standard forms for their guidance; and here again the rules (Nos. 1, 4 and 16) give Local Governments power to impose additional conditions. It is impossible to frame a form that shall suit all cases; the forms are issued for general guidance and the assistance of Local Governments; and any such Government is competent to add to their provisions so as not to conflict with the mining rules, or to omit any of those provisions that are not prescribed by those rules.

5. In order to facilitate the use of the forms, those provisions which are not positively prescribed by the rules sanctioned by the Secretary of State, and which may therefore be modified in the discretion of Local Governments, have been printed in italics. At the same time I am to explain that they seem to the Government of India to be necessary and proper conditions, and that they should not be altered or omitted without sufficient cause.

6. The Solicitor to Government has recorded his opinion that "in each case of a mining lease being granted, the Legal Adviser of the Local Government should be instructed to see that it is completed in proper form, in accordance with the conditions which may have been made by the Local Government based upon the model form. The model form of mining lease as drawn is applicable to a lease for a coal mine, and, in the event of a lease being granted for other minerals, the form will have to be carefully scrutinised throughout, all references to coal being omitted." I am to request that this procedure may be followed whenever a mining lease is granted.

I have the honour to be,

SIR,

Your most obedient Servant,

E Macnochie

Offg. Under-Secy. to the Govt. of India.

STANDARD FORM OF EXPLORING LICENSE.

This Exploring license made the _____ day of _____ 189____
BETWEEN THE SECRETARY OF STATE FOR INDIA IN COUNCIL hereinafter called the "Secretary of State" (in which term are also included his successors in office and assigns unless the context shall be repugnant to such construction) of the one part and _____ of the other part WITNESSETH as follows—

NOTE.—All blank spaces must be filled up in this form before signature.

1. In consideration of the prescribed fee of Rs. _____ which has before the execution hereof been paid by the licensee to the Collector of _____ on behalf of the Secretary of State license is hereby granted by the Secretary of State to the licensee subject to the restrictions conditions and provisoes hereinafter contained to enter upon the lands described in the schedule hereunder written and to explore and search the surface of the same for minerals of every description and for mineral oil and subject to the restrictions hereinafter contained or such other restrictions as the Local Government may from time to time impose to remove any specimens or samples thereof found by the licensee in or upon the said lands during the term for which this license shall be in force.

2. This license does not authorise the licensee to enter upon or commence exploring in any reserve forest included in the lands described in the schedule hereunder written without _____ days previous written notice to the District Forest Officer nor without obtaining the sanction in writing of that officer upon such conditions as such officer may in his absolute discretion prescribe or to enter upon or turn up the surface of any land in the occupation of any person or without the consent of the occupier *or to cut or damage any trees or standing crops and in particular and without prejudice to the general prohibition the licensee shall not interfere with or cause damage to any buildings huts or other structures or to the property of any occupier or occupiers of the said lands or any portion thereof and he shall make good and pay reasonable satisfaction and compensation for all injury which may be done by him in exercise of the powers conferred on him by this license and shall indemnify the Secretary of State against all claims which may be made by third parties in respect of any such damage or injury.*

3. This license shall not authorise the licensee to mine or quarry though he will be at liberty within the boundaries of the land specified in the schedule and subject to the restrictions conditions and provisoes contained in the last preceding clause to turn up the surface of the said land to a depth not exceeding two feet.

4. This license shall be in force for the period of one year only from the day of the date of these presents *and on the determination thereof the licensee shall forthwith remove all huts and structures machinery conveniences and other chattels and effects which he may have erected or brought upon the said lands.*

5. The licensee may remove any specimens or samples found by him in or upon the said lands in the course of his exploring operations under this license subject to the following restrictions, viz.,

6. The licensee shall within _____ days of the discovery by him his servants, workmen or agents of any and all precious stone and stones upon the said lands

report the discovery and produce the stones to the Collector of or to such other officer as the Collector may from time to time appoint in that behalf and the licensee shall pay to the Collector or other officer aforesaid on behalf of the Secretary of State by way of royalty $\frac{\quad}{\quad}$ per cent. of the value of the precious stone or stones so found such value in the case of dispute to be fixed by the local Government.

7. In the event of the licensee neglecting or failing to report the discovery of or to produce any precious stone or stones within the time fixed by clause 6 *or to produce them and pay the said royalty upon the same or in the event of his committing any breach of the terms of this license* the Collector of acting on behalf of the Secretary of State may forthwith cancel this license and thereupon all rights conferred thereby or enjoyed thereunder shall absolutely cease and determine.

IN WITNESS whereof the said parties hereto have set their hands the day and year first above written.

Signed by

for and on behalf of the

acting in
the premises for and on behalf of the Sec-
retary of State for India in Council in
the presence of

Names and addresses of }
witnesses.

Signed by the above named

()

in the presence of

Names and addresses of }
witnesses.

NOTE.—The portions printed in italics are not prescribed by the rules but are suggested as proper and reasonable.

The schedule above referred to

Here insert description
of land with area and bound-
aries, names of District,
Sub-district, Thannah, etc.

Note.—The parties must
sign against the end of the } Witnesses.
schedule.

STANDARD FORM OF PROSPECTING LICENSE.

582

An Indenture made the _____ day of _____ 189____ BETWEEN THE SECRETARY OF STATE FOR INDIA IN COUNCIL hereinafter called the Secretary of State (which expression is intended to comprise as well the Secretary of State for India in Council as his successors in office and assigns unless the context shall be repugnant to such construction) of the one part and _____ of _____ hereinafter called the

NOTE.—All blank spaces must be filled up in this form before signature.

licensee (which expression is intended to comprise as well the said _____ as his executors administrators and assigns unless the context shall be repugnant to such construction) of the other part. WHEREAS the licensee has applied in accordance with the rules prescribed by the Government for the granting of prospecting licenses to the Collector of _____ for a license to prospect for _____ in the lands specified in the Schedule marked A hereunder written and has submitted to the said Collector a certificate signed by a Secretary to the Local Government of _____ showing that the licensee has been approved by the said Local Government and has also deposited with the said Collector as security in respect of such license the sum of Rs. _____ being the sum determined by the said Collector for that purpose as required by the said rules AND WHEREAS the said Collector has found that there is no objection to granting the said license NOW THIS INDENTURE WITNESSETH as follows.

In consideration of the rent, and royalties covenants and agreements hereinafter reserved and contained on the part of the licensee to be paid and observed the Secretary of State doth hereby grant and demise unto the licensee the sole right and license (subject to the conditions hereinafter contained).

- (1) to enter upon the lands described in the said Schedule A and to mine quarry bore dig search for win and work all or any

lying or being within under or throughout the said lands without any interruption claim or disturbance from or by the Secretary of State or any other person or persons whomsoever

- (2) to carry away and dispose of the produce thereof to and for the use and benefit of the licensee
- (3) for the purposes aforesaid to clear undergrowth and brushwood and (with the sanction of the Collector previously obtained in writing) to make and use any drains or water-courses on the said lands for clearing the

from any water which may flow or accumulate therein

- (4) and with the like sanction to erect and bring upon the said lands all such temporary huts sheds and structures steam and other engines machinery and conveniences chattels and effects as shall be proper and necessary for effectually carrying on the prospecting operations hereby licensed or for the workmen employed therein

TO HAVE AND TO HOLD the said right and license and other the premises hereby granted and demised with their appurtenances unto the licensee from the date _____ of this license for the term* of (_____) RENDERING

* One year or such shorter period as the licensee may desire.

AND PAYING therefor free and clear from all rates taxes charges and deductions the rents and royalties in Schedule B hereto specified subject to the right of the licensee (save in the case of precious stones) to win use and take free of royalty for the purposes of experiment or as specimens the quantities mentioned in Schedule C hereto

Covenants by licensee.

The licensee doth hereby covenant with the Secretary of State as follows—

1. The licensee will pay to the Secretary of State the said rent and royalties and will work and carry on the operations hereby licensed in a fair orderly skilful and workmanlike manner and with as little damage as possible to the surface of the said lands and to the trees crops buildings structures and other property thereon
2. He will not enter upon or commence prospecting in any reserve forest included in the lands specified in the schedule marked A hereunder written without days previous written notice to the District Forest Officer nor without obtaining the sanction in writing of that officer upon such conditions as such officer may in his absolute discretion prescribe.
3. He will not enter upon any lands in the occupation of any person without the consent of the occupier nor without the consent of the owner thereof cut or in any way injure any trees standing crops or buildings huts or other structures or property of any kind of any occupier of the said lands or any part thereof or of any other private person.
4. He will make and pay reasonable satisfaction and compensation for all injury which may be done in the exercise of the powers conferred by this license and will whenever the said security deposit or any portion thereof or any further sum which may be deposited shall be applied as hereinafter mentioned forthwith deposit such further sum with the said Collector as may be required to bring the amount for the time being deposited up to the required sum of Rs.
5. He will at all times indemnify the Secretary of State against all claims or suits which may be made or brought by third parties in respect of any such damage and injury and against all costs and expenses relating thereto
6. He will not cut or injure any timber or tree on any unoccupied or unserved land without the permission of the said Collector in writing
7. He will not grant or assign any interest under this license to any persons without the previous consent in writing of the Local Government or to any Company without the previous sanction of the Governor General in Council
8. *He will well and truly measure and weigh or cause to be measured and weighed upon some part of the said lands the whole produce which shall be so won as aforesaid of such of them as may be required to be weighed for the purpose of ascertaining the amount of royalty payable in respect thereof at least in every day's notice in writing of every such measuring and weighing shall be given to the said Collector in order that he or some person on his behalf may be present at such measuring and weighing and attend to the proper conduct thereof and no part of the said produce shall on any account be taken away from the said lands until the same shall have been so measured or weighed as the case may be.*
9. *He will ascertain in such manner as the Local Government may from time to time prescribe the value of all precious stones and of all other minerals ores and metals won dressed or extracted which may be required to be valued for the purpose of ascertaining the amount of royalty payable in respect thereof*
10. *He will upon the expiration or sooner determination of this licence or the abandonment of the undertaking hereby licensed whichever shall first occur with all convenient speed remove all such buildings structures engines machinery and other property and effects erected or brought by him upon the said lands under the provisions hereof*
11. He will within six months after the expiration or sooner determination of this license or the date of the abandonment of the said undertaking whichever shall first occur securely plug all bores and fill up or fence all holes and excavations that he may have made in the said lands to such extent as the said Collector may require and will to the like extent restore so far as may be to their natural or original condition the surface of the said lands and all buildings and structures thereon which he may have damaged in the course of prospecting

State how often.

Powers of Government.

1. If the licensee shall at any time refuse or neglect to observe or perform all or any of the conditions herein mentioned and on his part to be observed and performed the said Collector may by notice in writing signed by him and delivered to the licensee or left at the lands for which this license is given summarily declare that the license hereby granted shall thenceforth determine and thereupon the license and all rights and liberties conferred hereby or enjoyed hereunder shall forthwith determine without prejudice to the rights and remedies of the Secretaries of State in respect of any prior breach or non-performance of all or any of the conditions hereof on the part of the licensee and except in respect of the covenants on the part of the licensee herein mentioned to be performed after the expiration or sooner determination of this license or after the abandonment of the undertaking hereby licensed

2. It shall be lawful for the said Collector at all times to apply the said security deposit of Rs. or any portion thereof or any further sum which may be deposited under the provisions next hereinafter contained in making good and satisfying the claim of any third parties in respect of any damage or injury above mentioned done by the licensee and also in indemnifying the Secretary of State against any claims by any such third parties in respect of any such injury or damage and all suits and proceedings instituted against the Secretary of State for or in respect of any such damage or injury and all costs and expenses relating thereto.

3. Provided that if upon the determination of this license or of any renewal thereof the amount for the time being in deposit with the said Collector or so much thereof as shall not be required by the said Collector to be applied as above mentioned shall if the licensee shall become the lessee of any mining lease of the said lands or any portion thereof under the provisions hereinafter contained be carried to his credit as part of the rents and royalties payable under such lease or if he shall decline or fail to obtain any such lease as aforesaid then the same shall be returned to the licensee provided also that if the Collector has reason to anticipate that any such claims as aforesaid are likely to be made by third parties he may retain the amount of the said security or such portion thereof as he may think proper for a period not exceeding six months beyond the determination of this license or any renewal thereof as aforesaid

Covenants by the Secretary of State.

THE SECRETARY OF STATE hereby covenants that if upon the expiration by effluxion of time of the term hereby granted the said Collector is satisfied that the licensee has been prevented from completing his search of the said lands by any cause other than his own default then the said Collector may at the request and cost of the licensee in writing renew this license for such further

Note.—A lease for precious stones must be given by the Governor General in Council. Leases for oils and minerals other than precious stones will be given by the Local Government.

term not exceeding one year as the licensee may desire from the expiration of the term hereby granted subject to the like conditions in all respects as are herein contained except this covenant for renewal AND ALSO that on or before the determination of this license the licensee shall have a right (subject to the rules prescribed by the Government for granting mining leases and provided that the Local Government is satisfied that the prospecting operations hereby licensed have been of a bona fide character) to a mining lease in accordance with the terms contained in the said rules of so much of the said lands not exceeding the area specified in the said rules and upon such conditions as the Governor General in Council may think fit.

Arbitration clause.

If at any time during the continuance of this license or after the determination thereof any question or dispute shall arise regarding this license or any matter or thing connected herewith or the powers or duties of the licensee hereunder or the amount or payment of any rent or royalty then and in all such cases the

matter in difference shall be decided by the Local Government whose decision shall be final. In witness whereof the said parties hereto have set their hands hereto the day and year first above written

Schedule A.

Signed by

Here insert description of
land with area boundaries,
names of District, sub-dis-
trict, Thannah, etc.

For and on behalf of the

acting in
the premises for and on behalf of the
Secretary of State for India in Council in
the presence of

Names and addresses of }
witnesses.

Signed by the abovenamed

(

) in the presence of

Names and addresses of }
witnesses.

Note—The portions printed in italics are not prescribed by the rules but are suggested as proper and reasonable.

8. 2/1

Schedule C.

Here insert the rents and }
royalties.

Schedule B.

Same as before
(pp. 27 & 28 of the preceding schedule)

Here insert quantities }
which may be taken free
of royalty.

Same as before
(Page 28 of the preceding schedule)

Note.—The parties must }
sign against the end of
the schedules. } Witnesses.

MODEL FORM OF MINING LEASE FOR COAL.

This indenture made the _____ day of _____ 189 —

Between the Secretary of State for India in Council hereinafter called "the lessor" which expression shall be taken to mean and include the said Secretary of State for India in Council and his successors in office and assigns except when the context requires another or different meaning of the one part and

—All blank
must be filled
in form before
e.

hereinafter called "the lessee" which expression shall be taken to mean and include the said his heirs executors administrators representatives and assigns except when the context requires another or different meaning of the other part witnesseth that in consideration of the rents and lessees covenants hereinafter reserved and contained the lessor doth hereby demise unto the lessee the mines beds veins and seams of coal mentioned and described in the first part of the schedule hereunder written together with the liberties powers and privileges to be exercised in connection with the said mines which are mentioned in the second part of the said schedule subject to the restrictions and conditions as to the exercise and enjoyment of the same liberties powers and privileges which are specified in the third part of the said schedule except and reserved out of this demise unto the lessor the liberties powers and privileges mentioned and specified in the fourth part of the said schedule.

To hold the hereditaments and premises intended to be hereby demised unto the lessee from the _____ day of _____ for the term of _____ years thence next ensuing yielding and paying to the lessor the several rents and sums of money mentioned and specified in the fifth part of the said schedule subject to the provisions relating to the said rents expressed in the sixth part of the said schedule and the lessee doth hereby covenant with the lessor as in the seventh part of the said schedule is expressed and the lessor doth hereby covenant with the lessee as in the eighth part of the said schedule is expressed and it is hereby mutually agreed and declared by and between the parties hereto as in the ninth part of the said schedule is expressed, and it is declared that the schedule hereunder written shall be deemed part of these presents and be read and construed accordingly.

In witness whereof the said parties have set their hands hereto the day and year first above written

Signed, sealed and delivered by

for and on behalf of the

acting in the premises for and on behalf of the Secretary of State for India in Council in the presence of

Seal.

Names and addresses
of witnesses.

Signed, sealed and delivered by
the above named

in the presence of

Seal.

Names and addresses
of witnesses.

THE SCHEDULE ABOVE REFERRED TO

Part I.—The mines demised by this lease.

The mines beds veins and seams of coal lying and being within and under the land situate lying and being in in in

which are delineated in the plan hereunto annexed and therein coloured [] or thereabouts and contain an area of

Part II.—Rights and privileges to be exercised or enjoyed by the lessee but subject to the restrictions and conditions in Part III.

1. Liberty and power for the lessee at all times during the term hereby granted to work the said mines and to win and get the said mines and premises

and the produce thereof.

2. Liberty and power to dig sink drive make repair and use all such pits shafts drifts levels water gates water courses air gates and other works as said mines and premises and for ventilating and draining the same.

3. Liberty and power to appropriate and use for any purpose connected with the working of the said mines the water upon or within any of the said lands and to collect and impound the same in ponds reservoirs or otherwise for the purpose of working the said mines but so that in the exercise of this privilege the lessee shall not deprive any lands villages houses or watering places for cattle of a reasonable quantity of water as before accustomed and do not in any manner foul impregnate or otherwise deteriorate any springs or streams of water so as to render them useless or unprofitable.

4. Liberty and power to enter upon use and occupy a sufficient part of the said lands adjoining any pits for depositing and heaping thereon the produce of the said mines and all the earth soil and other substances dug up and brought to the surface in or about the working of the same and for otherwise carrying on the works of the said mines.

5. Liberty and power in and upon the said lands to convert coal into coke whether for purposes of sale or otherwise.

6. Liberty and power to take lead and carry away over the said lands the coal to be gotten as aforesaid and the coke to be made and manufactured under the liberties and powers hereinbefore granted and to dispose of the same at his own will and pleasure.

7. Liberty and power to erect set up and make in upon and over the said lands workmen's houses sheds engines machinery furnaces buildings erections rail roads tram roads and other roads and works necessary or convenient for the effectual working of the said mines and the exercise of the several liberties and powers hereinbefore granted.

8. Liberty and power to search for get and dig gravel sand and stone within the said lands for the purposes mentioned in this second part of this schedule but not for sale and also to dig for and get clay and to make and burn the same into bricks for the purposes aforesaid but not for sale.

Part III.—Restrictions and conditions as to the exercise of the above liberties powers and privileges.

1. No building or thing shall be erected or set up and no other surface operations carried on by the lessee by virtue of the liberties and privileges above granted in or upon any place of worship sacred grove burial ground house village site public road or other place in respect of which on public grounds it appears to the Local Government that objections exist to so doing nor in such a way as to injure or affect any buildings or other works property or rights of private individuals nor shall any land be taken or occupied for surface operations if the same is already in the occupation of and used by persons other than the lessor for other works or purposes not included in this present demise if any other lands not so occupied and used are suitable and convenient and equally available for such surface operations.

2. Before taking any land for surface operations which has not already been used for such operations the lessee shall give to the lessor's agent (who for the purposes of this clause shall be taken to be the

for the time being) two calendar months' previous notice in writing specifying by name or other sufficient designation and by quantity the land proposed to be taken and the purpose for which same is required. The lessor's agent may at any time within two calendar months from the receipt of such notice state his objections if any to the proposed site and the validity of such objections in case of dispute shall be determined by reference to the Local Government whose decision thereon shall be final.

3. The lessee shall not without the express sanction of the Collector cut down or injure any trees or timber on the said lands but he may clear away brushwood or undergrowth which interferes with the due exercise of the liberties and privileges above granted.

Provided nevertheless that notwithstanding anything in this clause contained the lessee shall not enter upon any reserve forest included in the land delineated on the plan hereunto annexed without days previous written notice to the District Forest Officer nor without obtaining the sanction in writing of that officer upon such conditions as such officer may in his absolute discretion prescribe.

Part IV.—Rights reserved to lessor.

1. Liberty and power for him the lessor and any lessee or other person authorized by him on that behalf to enter into and upon the said lands and to search for dig work and get any minerals or substances aforesaid to sink make erect and under the said lands and for the purposes aforesaid to use such pits shafts levels drains water courses reservoirs tunnels buildings engines or machinery canals railways wagon ways and other ways works and conveniences upon through or under the said land as shall be necessary or expedient provided always that the said reserved rights and privileges to work for minerals other than coal shall be exercised and enjoyed in such manner as not to hinder or interfere with the rights and privileges of the lessee under these presents and Provided also that fair and proper compensation shall be paid by the lessor for all loss damages or injury which the lessee may sustain or be put to by reason or in consequence of the exercise of the said reserved rights and privileges to work for minerals other than coal the amount of such compensation to be settled in case of difference by reference to the said Local Government whose decision thereon shall be final.

2. Liberty and power for the lessor if the lessee shall not within months from the commencement of the said term hereby granted have started operations under this lease to some substantial extent or if at any time during the said term such operations shall not be in bona fide progress to the satisfac-

tion of the said Local Government to re-enter upon the said premises and to hold the same and to lease the same to third parties or otherwise deal with the same as if this lease had not been made.

Part V.—Rents reserved by this lease.

1. The certain half-yearly rent of R shall be paid by the lessee to the lessor at for and in respect of the said mines and premises from the day of by equal payments on the day of immediately preceding the first of such half-yearly payments to be made on the day of For and in respect of such certain half-yearly rent of R the lessee may in every half-year during the currency of this demise work and get from or out of the said mines and sell or export such a quantity of coal and coke manufactured therefrom as at the rate hereinafter mentioned would yield or pay for that half-year a royalty equal in amount to the said certain half-yearly rent of R But the said certain rent as from the said day of shall always be paid whether such quantity shall in fact be gotten or not
2. The lessee shall during the the day of months of the said term from the royalty of annas for every ton or part of a ton of coal which shall be sold at the said mines or exported therefrom for sale or otherwise or which shall be manufactured into coke and shall during the remainder of the said term pay the said royalty for every ton or part of a ton of coal which shall be sold at the said mines or exported therefrom for sale or otherwise or which shall be manufactured into coke in any half-year of the said term over and above the quantity of which the lessee is by clause 1 of this part authorised to work or get in respect of the said certain rent.
3. The further yearly rent of R a of land the surface whereof shall be occupied or used by the lessee for any of the purposes of this demise and so in proportion for any less quantity than a the said surface rent to be paid by equal half-yearly payments on the same days as the said certain rent of R is hereinbefore made payable the first of such payments to be made on such of the said days as shall happen next after such occupation or use shall commence and the last half-yearly payment thereof to be made on such of the said days as shall happen next after such occupation or use shall have ceased and the land shall have been restored and rendered fit for cultivation again *Provided always* that no such rent shall be paid or demanded in respect of any roads or ways now in existence.

Part VI.—Provisions relating to the rents.

1. All the aforesaid rents shall be paid free from any deductions.
2. If in any one half-year after the first 12 months of the said term the lessee shall not raise from or out of the said mines such quantity of coal as at the abovementioned rate would produce for that half-year the amount of the certain rent hereby reserved then and in every such case the lessee may in the next succeeding half-year of the said term raise and get from or out of the said mines such a quantity of coal as shall be required to make up the deficiency without paying any royalty for the same other than the said certain rent. But the overworkings of any preceding half-year or half-years shall not come in aid of or be applied to make good the deficiency of short workings in any subsequent half-year or half-years. The said rent and royalty shall be calculated upon the weight of the said coal as and when the same shall be sold or exported from the said mines or previous to its manufacture into coke and such rent and royalty shall be paid on the half-yearly days hereinbefore provided for the payment of the said rent at for and in respect of the coal sold or exported or manufactured into coke during the preceding half-year and in respect of which the same shall be payable.

3. All coal used by the lessee for the usual and customary purposes of the mines and for domestic consumption in the houses and offices of agents and workmen for the time being employed in and about the said mines and premises shall be free from rent and royalty.

Part VII.—The lessee's covenants.

1. The lessee shall pay the rent and royalty reserved by this lease at the times and in the manner above appointed in that behalf and shall also pay and discharge all taxes rates assessments and impositions whatsoever being in the nature of public demands which shall from time to time be charged assessed or imposed upon the said mines or any part thereof by authority of the Government of India or the said Local Government or otherwise except demands for land revenue and shall also pay interest at the rate of per cent. per annum on all arrears of such rent or royalty from the due date thereof.
2. The lessee shall at his own expense forthwith erect and at all times maintain and keep in repair boundary marks and pillars according to the demarcation shown in the plan hereto annexed so that the boundaries of the said lands may at all times be maintained.
3. The lessee shall within twenty-four months from the commencement of the term hereby granted start and work the said mines to the satisfaction of said Local Government and shall thereafter at all times during the continuance of this lease continuously work for and as far as possible obtain coal from the said lands and maintain in good repair working order and condition and work all mines when opened without voluntary intermission in a skilful and workmanlike manner and upon the most approved principle without doing or permitting to be done any unnecessary or avoidable damage to the surface of the said lands within or under which the said mines lie and shall not cultivate or use the said lands in any manner save for the purposes of this demise and the rights hereby granted.
4. The lessee shall well and properly secure and keep open with timber or other durable means all pits and shafts to be sunk or made in the said lands and make and maintain sufficient fences round every such pit or shaft and also shall at all times during the said term keep the said mine except abandoned mines free from water and from foul air as far as possible.
5. The lessor's agents servants and workmen shall be at liberty at all reasonable times during the said term to inspect and examine all works carried on by the lessee under the liberties hereinbefore granted and the lessee with proper persons employed by him and acquainted with the workings of mines and works shall effectually assist the lessor's agents servants and workmen in conducting such inspection and shall afford them all information connected with the working of the mines which they may reasonably require and also shall and will from time to time and at all times during the said term hereby granted conform to and observe all orders and regulations which the lessor as the result of such inspection may from time to time see fit to impose in the interests of public health and safety.
6. The lessee shall without delay send to the Collector or Deputy Commissioner of the District a report of any accident which may at any time occur at or in the said lands or any pit or shaft or mine.
7. The lessee shall at all times upon finding any mineral or product other than that or those for which this lease is granted immediately report such finding in writing to the Collector or Deputy Commissioner of the District with full particulars of the nature and position of each find and if the lessee is desirous of working or winning such new mineral or product he shall pay a royalty on all that he may work or win at such rate not being less than 20

per cent. of the value thereof as the Local Government may determine (the value being that from time to time prescribed by the Government of India and in the event of any dispute as to such value the decision of the Local Government being final and conclusive) until a fresh mining lease may have been given in respect of such new mineral or product and the lessee shall at any time after discovery of such new mineral or product be entitled to obtain a mining lease therefor or if precious stones be concerned the first offer of a mining lease therefor upon the terms and conditions prescribed in Rule 17 of the Rules by the Government of India for the grant of prospecting licenses dated the 12th December 1894.

8. The lessee shall at all times during the said term keep or cause to be kept at the office or counting house of the works to be situate in or contiguous to some part of the said lands correct and intelligible books of accounts upon such plan or principle and in such form as may be approved of by the said Local Government which books shall contain accurate entries of (1) the quantity of coal raised and brought to bank from the mines which have been or may be made or sunk by the lessee under the license and liberty on that behalf hereinbefore contained (2) the quantity of manufactured coal into coke (3) the quantity of coal or coke sold and exported from the said mines and (4) the quantity of coal otherwise disposed of and the manner and purpose in and for which the same have been or are intended to be applied (5) the number of persons employed in the said mines together with all other facts necessary or proper for conveniently ascertaining the amount of the royalty from time to time payable under these presents and the manner in which such coal or coke has been disposed of and shall also at his own expense furnish to such officer as the said Local Government may from time to time direct and at such times as the said Local Government may appoint true and correct abstracts of all or any of such accounts and returns and shall at all reasonable times allow such officers or persons as the said Local Government shall in that behalf appoint to enter into and have free access to the said office or counting house for the purpose of examining and inspecting the said several books of account and to take copies thereof and make extracts therefrom.

9. The lessee shall at all times during the said term cause to be made and kept at the said office or counting house true and correct and intelligible plans and sections shall show as well the operations and workings which have been carried on as also all views faults and other disturbances which have been observed and encountered in such workings and operations and all such plans and sections shall be made amended and filled up by and from actual surveys to be made for that purpose at the end of every period of twelve months and the lessee shall at his own cost furnish to the lessor true and correct copies of such plans and sections when thereunto required.

10. The lessee shall provide and at all times keep at or near the pit head or each of the pit heads at which the produce of the said mines shall be brought to bank a good and properly constructed weighing machine and shall weigh or cause to be weighed therein all coal brought to bank from or out of the mines hereby demised or which may be sunk or made by the lessee under the license and liberty in that behalf hereinbefore contained and shall at the end of each day cause the total weights of the coal gotten during the previous twenty-four hours and weighed as aforesaid to be entered in the aforesaid book or books of account the lessee shall also weigh or cause to be weighed in the said machine or machines all coal sold at or exported from the said mines and shall cause true and correct entries to be made daily in the aforesaid books of account of all coal so sold or exported and of all coal manufactured into coke and it shall be lawful for the lessor at all times during the said term to employ any person or persons to be present at the raising and weighing of the said coal and the removal thereof from the mines for sale or for export and to keep accounts thereof and to check the accounts kept by the lessee.

11. The lessor may through his agents or servants at any time or times during the said term examine and test each and every weighing machine or machines to be provided and kept by the lessee as aforesaid and the weights used therein with in order to ascertain whether the same respectively are correct and in good repair and order and if upon any such examination or testing any such weighing machine or weights shall be found incorrect or out of repair or order it shall be lawful for the lessor or his agent to require that the same be adjusted repaired and put in order by and at the expense of the lessee and to hinder the use thereof in the meantime and if such requisition be not complied with within fourteen days after the same shall have been made the lessor or his agent may cause the said weighing machine and weight respectively to be adjusted repaired and put in order and may recover the expense of so doing from the lessee and if upon any such examination or testing as aforesaid any error shall be discovered in any weighing machine or weights to the prejudice of the lessor such error shall be considered to have existed for three calendar months previous to the discovery thereof or from the last occasion of so examining and testing the same weighing machine and weights in case such occasion shall be within such period of three months and the said rent and royalty shall be paid and accounted for accordingly.

12. The lessee shall not assign or underlet the premises hereby demised or any part thereof or the rights and privileges hereby granted or any of them (1) to any person or persons without the consent in writing of the lessor under the hand of a Secretary to the Local Government or (2) to any company without the like consent under the hand of a Secretary to the Government of India for that purpose first had and obtained.

13. The lessee shall at all times have at the said premises a duly accredited manager or agent to whom all notices may be given and all communications from the lessor may be made. If there shall not at any time be such an agent on premises the lessor shall be at liberty to treat any other person there as such agent and to serve all documents upon the said agent or in his absence upon any such other person as aforesaid or in the case of there being no such other person as aforesaid then by affixing the notices upon some conspicuous portion of the said premises in the occupation of the lessee.

14. The lessee shall make and pay reasonable satisfaction and compensation for all injury which may be done by him his agents and servants in exercise of the liberties and powers hereby granted to the property and rights of the third parties and shall at all times save harmless and keep indemnified the lessor from and against all actions suits claims and demands by such third parties in respect of any such injury.

15. The lessee shall at the end or sooner determination of the said term deliver up to the lessor in good order repair and condition and fit for future working all mines which have been or may be made or sunk by the lessee under the license and liberty in that behalf hereinbefore contained together with all engines pits shafts water courses air gates levels and fixtures below ground level and which cannot be moved without causing injury to the said mines except any pits shafts or other works which shall have been abandoned or disused in the ordinary and fair course of working of the said mines and premises.

Part VIII.—The Lessor's covenants.

1. The lessee paying the rents hereby reserved and observing and performing the covenants and provisions herein contained and on his part to be observed and performed shall and may peaceably and quietly hold and enjoy the rights and premises hereby demised for and during the term hereby granted without any lawful interruption from or by the lessor or any person rightfully claiming from or under him.

2. If the lessee shall be desirous of taking a renewed lease of the said mines for the further term of years from the expiration of the said term hereby granted and of such desire shall prior

NOTE.—No provision for renewal of any lease should be agreed to or inserted in any lease without the express sanction of the Government of India.

to the expiration of such last mentioned term give to the lessor six calendar months' previous notice in writing and pay the said rent and royalty hereby reserved and observe and perform the several covenants herein contained and on the part of the lessee to be observed and performed up to the expiration of the said term hereby granted the lessor will upon the request and at the expense of the lessee and upon his executing and delivering to the lessor a counterpart thereof sign and deliver to the lessee a renewed lease of the said premises for the further term of years at the same rent and under and subject to similar covenants provisions and agreements as are herein contained other than this present covenant but subject nevertheless to the payment by the lessee of such increased royalty as may be then fixed by the Government of India.

3. The lessee may at any time or times within six calendar months after the determination of this demise whether by effluxion of time or otherwise enter into and upon the said lands or any part thereof for the purpose of taking down removing and disposing of for their own use and benefit all the machinery utensils implements articles and things set up and used in and about the working of the said mines and all ovens kilns sheds huts railways tramways and other works (except buildings and erections of brick or stone) erected and then standing upon any of the said lands for the purpose of working the said mines unless the lessor shall be desirous of purchasing the same or any of them in pursuance of the provision in that behalf hereinafter contained.

Part IX.—General Provisions.

1. If the rent or royalty hereby reserved or either of them or any part thereof respectively shall be behind or unpaid for the space of 28 days next after

Power of distress.

any of the days whereon the same ought to be paid then and so often as the case shall happen the lessor may enter into and upon the said lands which shall for the time being be possessed or occupied by the lessee for the purposes of this demise and may distrain all or any of the stock of engines plant live and dead stock and things which shall be found in or upon the same premises and the same may take lead drive carry away impound detain and keep until the rent or royalty which shall then be due and all costs and expenses occasioned by the non-payment thereof shall be fully paid and satisfied.

2. If the rent or royalty hereby reserved or either of them or any part thereof respectively shall be behind or unpaid for the space of six calendar months

Power of re-entry.

next after any of the days whereon the same ought to be paid as aforesaid and whether the same shall have been legally demanded or not or if the lessee shall commit any breach of the covenants and conditions contained in the lease and on his part to be observed and performed or any of them in such case it shall be lawful for the lessor at any time thereafter and although he may not have taken advantage of some previous default of a like nature into and upon the said mines or any part thereof in the name of the whole to re-enter and the same to have again repossess and enjoy as of his former estate.

3. If at the end or sooner determination of the said term the lessor shall be desirous of purchasing all or any of the buildings or works above ground

Proviso for lessor to purchase.

level set up or constructed by the lessee and shall signify such his desire by notice in writing to the lessee six calendar months at least before the expiration of the said term (or if the said term shall be determined under the power of re-entry hereinbefore contained at any time within three calendar months after the determination of the said term) the lessee shall sell to the lessor all or any of the said buildings and works at a price which shall be fixed or ascertained by taking the net cost of such buildings or works as at date of construction and deducting therefrom for depreciation a sum equivalent to cent. per annum on the net original cost.

4. If at any time during the continuance of this demise the said mine shall become destroyed or rendered substantially and permanently unfit for the purposes of this demise by fire tempest or flood or violence of any army or mob or other irresistible force these presents shall at the option of the lessee be void provided that if the injury be occasioned by the wrongful act or default of the lessee or his servants he shall not be entitled to avail himself of the benefit of this provision AND PROVIDED also that if this lease shall become void for or by reason of any of the causes aforesaid it should be without prejudice to the rights and remedies of the lessor under or by virtue of these presents for the recovery of any rent or royalty which may then remain unpaid or in respect of any breach which may have been committed of any of the covenants herein contained on the part of the lessee.

Right of lessee to determine lease of mines destroyed by act of God.

5. Whenever any doubt difference or dispute shall hereafter arise touching the construction of these presents or anything herein contained or any matter or thing connected with the said mines and minerals hereby dealt with or the working or non-working thereof or the amount or payment of any royalty or rent reserved or made payable hereunder the matter in difference shall be decided by the Local Government whose decision shall be final.

NOTE.—The portions printed in Italics are not prescribed by the rules but are suggested as proper and reasonable.

Enclosure to Cno 7965/97 Rev

1897.

File No. 10 of
1897.

Serial No. 8.

GOVERNMENT OF INDIA.
DEPARTMENT OF REVENUE AND AGRICULTURE.

GEOLOGY & MINERALS.

To

ALL LOCAL GOVERNMENTS AND ADMINISTRATIONS.

*Enclosure to G.O. 4970 Rev Mis
21.9.1897*

Circular No. $\frac{21}{10-8}$

Dated Simla, the 31st August 1897.

SUBJECT.

Revised forms for exploring license, prospecting license and mining lease.

Circular No. $\frac{21}{10-8}$

FROM

E. MACONCHIE, ESQ., C.S.,
Offg. Under-Secretary to the Government of India,

TO

Dept. of Rev. & Agri.
Geology & Minerals.

Simla, the 31st August 1897.

SIR,

WITH reference to the circulars from this Department Nos. 22-43-11, dated 12th October 1895, and 28-43-13, dated 18th December 1895, I am directed to forward copies of revised forms of exploring license, prospecting license, and mining lease, and to request that they may be adopted in so far as they may be applicable to concessions which may hereafter be granted.

2. The forms have been revised in consequence of a representation made to the Government of India that the general frame and language of the standard forms were too technical and complicated, while they stood in need of alteration in respect of certain points of detail.

3. As regards the general charge of over-technicality, it must be remembered that explorers, prospectors, and lessees are generally shrewd European speculators who are quite able to understand and appreciate the terms of a contract. The mining lease in particular is a concession for a long term of years of rights which are often exceedingly valuable, and too much care cannot be taken to draw it up in strict legal form, so as adequately to secure the rights of Government and to stand the test of judicial examination. This consideration does not, however, apply with equal force to exploring and prospecting licenses, which directly confer no rights of any great value, and which ordinarily run only for a single year; and the form of prospecting license, which was especially open to the charge of obscurity, has therefore been recast in simpler language.

4. The question has also been raised how far these forms are authoritatively prescribed. I am to point out that the form of mining lease was sent out with Circular No. 22-43-11, dated the 12th October 1895, with the request that it might

6

be adopted "so far as it might be applicable to any particular concession." It was based upon a previous form which the Government of India had sanctioned for a particular concession, it is adapted to the case of a coal mine, and it contains certain minor conditions which are in addition to those specified in the rules. Rule 23 of the Mining Rules empowers Local Governments to make "such conditions and stipulations as they may in each case consider necessary," provided that they are compatible with and include certain specified conditions. The exploring and prospecting license forms were prepared at the request of certain Local Governments who asked for standard forms for their guidance; and here again the rules (Nos. 1, 4 and 16) give Local Governments power to impose additional conditions. It is impossible to frame a form that shall suit all cases; the forms are issued for general guidance and the assistance of Local Governments; and any such Government is competent to add to their provisions so as not to conflict with the mining rules, or to omit any of those provisions that are not prescribed by those rules.

5. In order to facilitate the use of the forms, those provisions which are not positively prescribed by the rules sanctioned by the Secretary of State, and which may therefore be modified in the discretion of Local Governments, have been printed in italics. At the same time I am to explain that they seem to the Government of India to be necessary and proper conditions, and that they should not be altered or omitted without sufficient cause.

6. The Solicitor to Government has recorded his opinion that "in each case of a mining lease being granted, the Legal Adviser of the Local Government should be instructed to see that it is completed in proper form, in accordance with the conditions which may have been made by the Local Government based upon the model form. The model form of mining lease as drawn is applicable to a lease for a coal mine, and, in the event of a lease being granted for other minerals, the form will have to be carefully scrutinised throughout, all references to coal being omitted." I am to request that this procedure may be followed whenever a mining lease is granted.

I have the honour to be,

SIR,

Your most obedient Servant,

E. MACONCHIE,

Offg. Under-Secy. to the Govt. of India.

MODEL FORM OF MINING LEASE FOR COAL.

This indenture made the

day of

189 —

—All blank
must be filled
in form before

Between the Secretary of State for India in Council hereinafter called "the lessor" which expression shall be taken to mean and include the said Secretary of State for India in Council and his successors in office and assigns except when the context requires another or different meaning of the one part and

hereinafter called "the lessee" which expression shall be taken to mean and include the said his heirs executors administrators representatives and assigns except when the context requires another or different meaning of the other part witnesseth that in consideration of the rents and lessees covenants hereinafter reserved and contained the lessor doth hereby demise unto the lessee the mines beds veins and seams of coal mentioned and described in the first part of the schedule hereunder written together with the liberties powers and privileges to be exercised in connection with the said mines which are mentioned in the second part of the said schedule subject to the restrictions and conditions as to the exercise and enjoyment of the same liberties powers and privileges which are specified in the third part of the said schedule except and reserved out of this demise unto the lessor the liberties powers and privileges mentioned and specified in the fourth part of the said schedule.

To hold the hereditaments and premises intended to be hereby demised unto the lessee from the day of for the term of years thence next ensuing yielding and paying to the lessor the several rents and sums of money mentioned and specified in the fifth part of the said schedule subject to the provisions relating to the said rents expressed in the sixth part of the said schedule and the lessee doth hereby covenant with the lessor as in the seventh part of the said schedule is expressed and the lessor doth hereby covenant with the lessee as in the eighth part of the said schedule is expressed and it is hereby mutually agreed and declared by and between the parties hereto as in the ninth part of the said schedule is expressed, and it is declared that the schedule hereunder written shall be deemed part of these presents and be read and construed accordingly.

In witness whereof the said parties have set their hands hereto the day and year first above written

Signed, sealed and delivered by

for and on behalf of the

acting in the premises for and on behalf of the Secretary of State for India in Council in the presence of

Seal.

Names and addresses of witnesses.

Signed, sealed and delivered by the above named

in the presence of

Names and addresses of witnesses.

Seal.

THE SCHEDULE ABOVE REFERRED TO

Part I.—The mines demised by this lease.

The mines beds veins and seams of coal lying and being within and under the land situate lying and being

Description of mines.

in

in

delineated in the plan hereunto annexed and therein coloured [] which are and contain an area of or thereabouts

Part II.—Rights and privileges to be exercised or enjoyed by the lessee but subject to the restrictions and conditions in Part III.

1. Liberty and power for the lessee at all times during the term hereby granted to work the said mines and to win and get the said mines and premises
- Grant of liberty to work the mine.
2. Liberty and power to dig sink drive make repair and use all such pits shafts drifts levels water gates water courses air gates and other works as may be necessary or proper for searching for mining working and getting the said mines and premises and for ventilating and draining the same.
- To sink pits.
3. Liberty and power to appropriate and use for any purpose connected with the working of the said mines the lands and to collect and impound the same in ponds reservoirs or otherwise for the purpose of working the said mines but so that in the exercise of this privilege the lessee shall not deprive any lands villages houses or watering places for cattle of a reasonable quantity of water as before accustomed and do not in any manner foul impregnate or otherwise deteriorate any springs or streams of water so as to render them useless or unprofitable.
- To appropriate water.
4. Liberty and power to enter upon use and occupy a sufficient part of the said lands adjoining any pits for depositing and heaping thereon the produce of the said mines and all the earth soil and other substances dug up and brought to the surface in or about the working of the same and for otherwise carrying on the works of the said mines.
- To appropriate land for stocking.
5. Liberty and power in and upon the said lands to convert coal into coke whether for purposes of sale or otherwise.
- To convert coal into coke.
6. Liberty and power to take lead and carry away over the said lands the coal to be gotten as aforesaid and the coke to be made and manufactured under the liberties and powers hereinbefore granted and to dispose of the same at his own will and pleasure.
- To lead and carry away coal.
7. Liberty and power to erect set up and make in upon and over the said lands workmen's houses sheds engines machinery furnaces buildings erections rail roads tram roads and other roads and works necessary or convenient for the effectual working of the said mines and the exercise of the several liberties and powers hereinbefore granted.
- To erect houses.
8. Liberty and power to search for get and dig gravel sand and stone within the said lands for the purposes mentioned in this second part of this schedule but not for sale and also to dig for and get clay and to make and burn the same into bricks for the purposes aforesaid but not for sale.

Part III.—Restrictions and conditions as to the exercise of the above liberties powers and privileges.

1. No building or thing shall be erected or set up and no other surface operations carried on by the lessee by virtue of the liberties and privileges above granted in or upon any place of worship sacred grove burial ground house village site public road or other place in respect of which on public grounds it appears to the Local Government that objections exist to so doing nor in such a way as to injure or affect any buildings or other works property or rights of private individuals nor shall any land be taken or occupied for surface operations if the same is already in the occupation of and used by persons other than the lessor for other works or purposes not included in this present demise if any other lands not so occupied and used are suitable and convenient and equally available for such surface operations.

2. Before taking any land for surface operations which has not already been used for such operations the lessee shall give to the lessor's agent (who for Notice to be given before entering on lands and lessor to be at liberty to object to proposed site.

the purposes of this clause shall be taken to be the for the time being) two calendar months' previous notice in writing specifying by name or other sufficient designation and by quantity the land proposed to be taken and the purpose for which same is required. The lessor's agent may at any time within two calendar months from the receipt of such notice state his objections if any to the proposed site and the validity of such objections in case of dispute shall be determined by reference to the Local Government whose decision thereon shall be final.

3. The lessee shall not without the express sanction of the Collector cut down or injure any trees or timber on the said lands but he may clear away brushwood or undergrowth which interferes with the due exercise of the liberties and privileges above granted.

Provided nevertheless that notwithstanding anything in this clause contained the lessee shall not enter upon any reserve forest included in the land delineated on the plan hereunto annexed without days previous written notice to the District Forest Officer nor without obtaining the sanction in writing of that officer upon such conditions as such officer may in his absolute discretion prescribe.

Part IV.—Rights reserved to lessor.

1. Liberty and power for him the lessor and any lessee or other person authorized by him on that behalf to enter into and upon the said lands and to search for dig work and get any minerals or substances aforesaid to sink make erect and under the said lands and for the purposes aforesaid to use such pits shafts levels drains water courses reservoirs tunnels buildings engines or machinery canals railways wagon ways and other ways works and conveniences upon through or under the said land as shall be necessary or expedient provided always that the said reserved rights and privileges to work for minerals other than coal shall be exercised and enjoyed in such manner as not to hinder or interfere with the rights and privileges of the lessee under these presents and Provided also that fair and proper compensation shall be paid by the lessor for all loss damages or injury which the lessee may sustain or be put to by reason or in consequence of the exercise of the said reserved rights and privileges to work for minerals other than coal the amount of such compensation to be settled in case of difference by reference to the said Local Government whose decision thereon shall be final.

2. Liberty and power for the lessor if the lessee shall not within months from the commencement of the said term hereby granted have started operations under this lease to some substantial extent or if at any time during the said term such operations shall not be in bona fide progress to the satisfac-

tion of the said Local Government to re-enter upon the said premises and to hold the same and to lease the same to third parties or otherwise deal with the same as if this lease had not been made.

Part V.—Rents reserved by this lease.

1. The certain half-yearly rent of R shall be paid by the lessee to the lessor at for and in respect of the said mines and premises from the day of by equal payments on the day of and the day of in each year for the half-year immediately preceding the first of such half-yearly payments to be made on the day of For and in respect of such certain half-yearly rent of R the lessee may in every half-year during the currency of this demise work and get from or out of the said mines and sell or export such a quantity of coal and coke manufactured therefrom as at the rate hereinafter mentioned would yield or pay for that half-year a royalty equal in amount to the said certain half-yearly rent of R But the said certain rent as from the said day of shall always be paid whether such quantity shall in fact be gotten or not

2. The lessee shall during the months of the said term from the day of to the day of pay to the lessor the royalty of annas for every ton or part of a ton of coal which shall be sold at the said mines or exported therefrom for sale or otherwise or which shall be manufactured into coke and shall during the remainder of the said term pay the said royalty for every ton or part of a ton of coal which shall be sold at the said mines or exported therefrom for sale or otherwise or which shall be manufactured into coke in any half-year of the said term over and above the quantity of which the lessee is by clause 1 of this part authorised to work or get in respect of the said certain rent.

3. The further yearly rent of R of land the surface whereof shall be occupied or used by the lessee for any of the purposes of this demise and so in proportion for any less quantity than a of this surface rent to be paid by equal half-yearly payments on the same days as the said certain rent of R is hereinbefore made payable the first of such payments to be made on such of the said days as shall happen next after such occupation or use shall commence and the last half-yearly payment thereof to be made on such of the said days as shall happen next after such occupation or use shall have ceased and the land shall have been restored and rendered fit for cultivation again *Provided always* that no such rent shall be paid or demanded in respect of any roads or ways now in existence.

Part VI.—Provisions relating to the rents.

1. All the aforesaid rents shall be paid free from any deductions.
2. If in any one half-year after the first 12 months of the said term the lessee shall not raise from or out of the said mines such quantity of coal as at the abovementioned rate would produce for that half-year the amount of the certain rent hereby reserved then and in every such case the lessee may in the next succeeding half-year of the said term raise and get from or out of the said mines such a quantity of coal as shall be required to make up the deficiency without paying any royalty for the same other than the said certain rent. But the over-workings of any preceding half-year or half-years shall not come in aid of or be applied to make good the deficiency of short workings in any subsequent half-year or half-years. The said rent and royalty shall be calculated upon the weight of the said coal as and when the same shall be sold or exported from the said mines or previous to its manufacture into coke and such rent and royalty shall be paid on the half-yearly days hereinbefore provided for the payment of the said rent at for and in respect of the coal sold or exported or manufactured into coke during the preceding half-year and in respect of which the same shall be payable.

3. All coal used by the lessee for the usual and customary purposes of the mines and for domestic consumption in the houses and offices of agents and workmen for the time being employed in and about the said mines and premises shall be free from rent and royalty.

Part VII.—The lessee's covenants.

1. The lessee shall pay the rent and royalty reserved by this lease, at the times and in the manner above appointed in that behalf and shall also pay and discharge all taxes rates assessments and impositions whatsoever being in the nature of public demands which shall from time to time be charged assessed or imposed upon the said mines or any part thereof by authority of the Government of India or the said Local Government or otherwise except demands for land revenue and shall also pay interest at the rate of per cent. per annum on all arrears of such rent or royalty from the due date thereof.

2. The lessee shall at his own expense forthwith erect and at all times maintain and keep in repair boundary marks and pillars according to the demarcations shown in the plan hereto annexed so that the boundaries of the said lands may at all times be maintained.

3. The lessee shall within twenty-four months from the commencement of the term hereby granted start and work the said mines to the satisfaction of said Local Government and shall thereafter at all times during the continuance of this lease continuously work for and as far as possible obtain coal from the said lands and maintain in good repair working order and condition and work all mines when opened without voluntary intermission in a skilful and workmanlike manner and upon the most approved principle without doing or permitting to be done any unnecessary or avoidable damage to the surface of the said lands within or under which the said mines lie and shall not cultivate or use the said lands in any manner save for the purposes of this demise and the rights hereby granted.

4. The lessee shall well and properly secure and keep open with timber or other durable means all pits and shafts to be sunk or made in the said lands and make and maintain sufficient fences round every such pit or shaft and also shall at all times during the said term keep the said mine except abandoned mines free from water and from foul air as far as possible.

5. The lessor's agents servants and workmen shall be at liberty at all reasonable times during the said term to inspect and examine all works carried on by the lessee under the liberties hereinbefore granted and the lessee with proper persons employed by him and acquainted with the workings of mines and works shall effectually assist the lessor's agents servants and workmen in conducting such inspection and shall afford them all information connected with the working of the mines which they may reasonably require and also shall will from time to time and at all times during the said term hereby granted conform to and observe all orders and regulations which the lessor as the result of such inspection may from time to time see fit to impose in the interests of public health and safety.

6. The lessee shall without delay send to the Collector or Deputy Commissioner of the District a report of any accident which may at any time occur at or in the said lands or any pit or shaft or mine.

7. The lessee shall at all times upon finding any mineral or product other than that or those for which this lease is granted immediately report such finding in writing to the Collector or Deputy Commissioner of the District with full particulars of the nature and position of each find and if the lessee is desirous of working or winning such new mineral or product he shall pay a royalty on all that he may work or win at such rate not being less than 20

per cent. of the value thereof as the Local Government may determine (the value being that from time to time prescribed by the Government of India and in the event of any dispute as to such value the decision of the Local Government being final and conclusive) until a fresh mining lease may have been given in respect of such new mineral or product and the lessee shall at any time after discovery of such new mineral or product be entitled to obtain a mining lease therefor or if precious stones be concerned the first offer of a mining lease therefor upon the terms and conditions prescribed in Rule 17 of the Rules by the Government of India for the grant of prospecting licenses dated the 12th December 1894.

8. The lessee shall at all times during the said term keep or cause to be kept at the office or counting house of the Local Government some part of the said lands correct works to be situate in or contiguous to such plan or principle and in such form as may be approved of by the said Local Government which books shall contain accurate entries of (1) the quantity of coal raised and brought to bank from the mines which have been or may be made or sunk by the lessee under the license and liberty on that behalf hereinbefore contained (2) the quantity of manufactured coal into coke (3) the quantity of coal or coke sold and exported from the said mines and (4) the quantity of coal otherwise disposed of and the manner and purpose in and for which the same have been or are intended to be applied (5) the number of persons employed in the said mines together with all other facts necessary or proper for conveniently ascertaining the amount of the royalty from time to time payable under these presents and the manner in which such coal or coke has been disposed of and shall also at his own expense furnish to such officer as the said Local Government may appoint true and correct abstracts of times as the said Local Government may appoint true and correct abstracts of all or any of such accounts and returns and shall at all reasonable times allow such officers or persons as the said Local Government shall in that behalf appoint to enter into and have free access to the said office or counting house for the purpose of examining and inspecting the said several books of account and to take copies thereof and make extracts therefrom.

Furnish abstract of accounts etc.

9. The lessee shall at all times during the said term cause to be made and kept at the said office or counting house true and correct and intelligible plans and sections shall show as well the operations and workings which have been carried on as also all views faults and other disturbances which have been observed and encountered in such workings and operations and all such plans and sections shall be made amended and filled up by and from actual surveys to be made for that purpose at the end of every period of twelve months and the lessee shall at his own cost furnish to the lessor true and correct copies of such plans and sections when thereunto required.

To keep plans of working.

10. The lessee shall provide and at all times keep at or near the pit head bank a good and properly constructed weighing machine and shall weigh or cause to be weighed therein all coal brought to bank from or out of the mines hereby demised or which may be sunk or made by the lessee under the license and liberty in that behalf hereinbefore contained and shall at the end of each day cause the total weights of the coal gotten during the previous twenty-four hours and weighed as aforesaid to be entered in the aforesaid book or books of account the lessee shall also weigh or cause to be weighed in the said machine or machines all coal sold at or exported from the said mines and shall cause true and correct entries to be made daily in the aforesaid books of account of all coal so sold or exported and of all coal manufactured into coke and it shall be lawful for the lessor at all times during the said term to employ any person or persons to be present at the raising and weighing of the said coal and the removal thereof from the mines for sale or for export and to keep accounts thereof and to check the accounts kept by the lessee.

To provide weighing machine.

11. The lessor may through his agents or servants at any time or times during the said term examine and test each and every weighing machine or machines and the weights used thereon and if upon any such examination or testing any such weighing machine or weights shall be found incorrect or out of repair or order it shall be lawful for the lessor or his agent to require that the same be adjusted repaired and put in order by and at the expense of the lessee and to hinder the use thereof in the meantime and if such requisition be not complied with within fourteen days after the same shall have been made the lessor or his agent may cause the said weighing machine and weight respectively to be adjusted repaired and put in order and may recover the expense of so doing from the lessee and if upon any such examination or testing as aforesaid any error shall be discovered in any weighing machine or weights in case such of the lessor such error shall be considered to have existed for three calendar months previous to the discovery thereof or from the last occasion of so examining and testing the same weighing machine and weights in case such occasion shall be within such period of three months and the said rent and royalty shall be paid and accounted for accordingly.

The lessor may test weighing machine.

12. The lessee shall not assign or underlet the premises hereby demised or any part thereof or the rights and privileges hereby granted or any of them without the like consent in writing of the lessor under the hand of a Secretary to the Local Government or (2) to any company India for that purpose first had and obtained.

13. The lessee shall at all times have at the said premises a duly accredited manager or agent to whom all notices may be given and all communications from the lessor may be made. If there shall not at any time be such an agent on premises the lessor shall be at liberty to treat any other person there as such agent and to serve all documents upon the said agent or in his absence upon any such other person as aforesaid or in the case of there being no such other person as aforesaid then by affixing the notices upon some conspicuous portion of the said premises in the occupation of the lessee.

14. The lessee shall make and pay reasonable satisfaction and compensation for all injury which may be done to the liberties and powers hereby granted to the property and rights of the third parties and shall at all times save harmless and keep indemnified the lessor from and against all actions suits claims and demands by such third parties in respect of any such injury.

15. The lessee shall at the end or sooner determination of the said term deliver up to the lessor in good order repair and condition and fit for future working all mines which have been or may be made or sunk by the lessee under the license and liberty in that behalf hereinbefore contained together with all engines pits shafts water courses air gates levels and fixtures below ground level and which cannot be moved without causing injury to the said mines except any pits shafts or other works which shall have been abandoned or disused in the ordinary and fair course of working of the said mines and premises.

To deliver up mines etc. in good order.

Part VIII.—The Lessor's covenants.

1. The lessee paying the rents hereby reserved and observing and performing the covenants and provisions herein contained and on his part to be observed and performed shall and may peaceably and quietly hold and enjoy the rights and premises hereby demised for and during the term hereby granted without any lawful interruption from or by the lessor or any person rightfully claiming from or under him.

For quiet enjoyment.

2. If the lessee shall be desirous of taking a renewed lease of the said mines for the further term of *years* from the expiration of the said term hereby granted and of such desire shall prior to the expiration of such last mentioned term give to the lessor six calendar months' previous notice in writing and pay the said rent and royalty hereby reserved and observe and perform the several covenants herein contained and on the part of the lessee to be observed and performed up to the expiration of the said term hereby granted the lessor will upon the request and at the expense of the lessee and upon his executing and delivering to the lessor a counterpart thereof sign and deliver to the lessee a renewed lease of the said premises for the further term of *years* at the same rent and under and subject to similar covenants provisions and agreements as are herein contained other than this present covenant but subject nevertheless to the payment by the lessee of such increased royalty as may be then fixed by the Government of India.

NOTE.—No provision for renewal of any lease should be agreed to or inserted in any lease without the express sanction of the Government of India.

3. The lessee may at any time or times within *six* calendar months after the determination of this demise whether by effluxion of time or otherwise enter into and upon the said lands or any part thereof for the purpose of taking down removing and disposing of for their own use and benefit all the machinery utensils implements articles and things set up and used in and about the working of the said mines and all ovens kilns sheds huts railways tramways and other works (except buildings and erections of brick or stone) erected and then standing upon any of the said lands for the purpose of working the said mines unless the lessor shall be desirous of purchasing the same or any of them in pursuance of the provision in that behalf hereinafter contained.

Part IX.—General Provisions.

1. If the rent or royalty hereby reserved or either of them or any part thereof respectively shall be behind or unpaid for the space of 28 days next after any of the days whereon the same ought to be paid then and so often as the case shall happen the lessor may enter into and upon the said lands which shall for the time being be possessed or occupied by the lessee for the purposes of this demise and may distrain all or any of the stock of engines plant live and dead stock and things which shall be found in or upon the same premises and the same may take lead drive carry away impound detain and keep until the rent or royalty which shall then be due and all costs and expenses occasioned by the non-payment thereof shall be fully paid and satisfied.

Power of distress.

2. If the rent or royalty hereby reserved or either of them or any part thereof respectively shall be behind or unpaid for the space of six calendar months next after any of the days whereon the same ought to be paid as aforesaid and whether the same shall have been legally demanded or not or if the lessee shall commit any breach of the covenants and conditions contained in the lease and on his part to be observed and performed or any of them in such case it shall be lawful for the lessor at any time thereafter and although he may not have taken advantage of some previous default of a like nature into and upon the said mines or any part thereof in the name of the whole to re-enter and the same to have again repossess and enjoy as of his former estate.

Power of re-entry.

3. If at the end or sooner determination of the said term the lessor shall be desirous of purchasing all or any of the buildings or works above ground level set up or constructed by the lessee and shall signify such his desire by notice in writing to the lessee six calendar months at least before the expiration of the said term (or if the said term shall be determined under the power of re-entry hereinbefore contained at any time within three calendar months after the determination of the said term) the lessee shall sell to the lessor all or any of the said buildings and works at a price which shall be fixed or ascertained by taking the net cost of such buildings or works as at date of construction and deducting therefrom for depreciation a sum equivalent to *per cent. per annum on the net original cost.*

* Proviso for lessor to purchase.

4. If at any time during the continuance of this demise the said mine shall become destroyed or rendered substantially and permanently unfit for the purposes of this demise by fire tempest or other irresistible force these presents shall at the option of the lessee be void provided that if the injury be occasioned by the wrongful act or default of the lessee or his servants he shall not be entitled to avail himself of the benefit of this provision AND PROVIDED also that if this lease shall become void for or by reason of any of the causes aforesaid it should be without prejudice to the rights and remedies of the lessor under or by virtue of these presents for the recovery of any rent or royalty which may then remain unpaid or in respect of any breach which may have been committed of any of the covenants herein contained on the part of the lessee.

Right of lessee to determine lease of mines destroyed by act of God.

5. Whenever any doubt difference or dispute shall hereafter arise touching the construction of these presents or anything herein contained or any matter or thing connected with the said mines and minerals hereby dealt with or the working or non-working thereof or the amount or payment of any royalty or rent reserved or made payable hereunder the matter in difference shall be decided by the Local Government whose decision shall be final.

NOTE.—The portions printed in Italics are not prescribed by the rules but are suggested as proper and reasonable.

STANDARD FORM OF EXPLORING LICENSE.

This Exploring license made the _____ day of _____
BETWEEN THE SECRETARY OF STATE FOR INDIA IN COUNCIL hereinafter
called the "Secretary of State" (in which term are also included his successors in
office and assigns unless the context shall be repugnant to such construction) of
the one part and _____
of _____
(hereinafter called "the Licensee") of the other part WITNESSETH as follows—

189

NOTE.—All blank
spaces must be filled
up in this form be-
fore signature.

1. In consideration of the prescribed fee of Rs. _____ which has before
the execution hereof been paid by the licensee to the Collector of
on behalf of the Secretary of State license is hereby granted by the Secretary of
State to the licensee subject to the restrictions conditions and provisoes herein-
after contained to enter upon the lands described in the schedule hereunder
written and to explore and search the surface of the same for minerals of every
description and for mineral oil and subject to the restrictions hereinafter con-
tained or such other restrictions as the Local Government may from time to
time impose to remove any specimens or samples thereof found by the licensee
in or upon the said lands during the term for which this license shall be in
force.

2. This license does not authorise the licensee to enter upon or commence
exploring in any reserve forest included in the lands described in the schedule
hereunder written without _____ days previous written notice to the District
Forest Officer nor without obtaining the sanction in writing of that officer upon
such conditions as such officer may in his absolute discretion prescribe or to enter
upon or turn up the surface of any land in the occupation of any person or with-
out the consent of the occupier or to cut or damage any trees or standing crops
and in particular and without prejudice to the general prohibition the licensee
shall not interfere with or cause damage to any buildings huts or other struc-
tures or to the property of any occupier or occupiers of the said lands or any
portion thereof and he shall make good and pay reasonable satisfaction and
compensation for all injury which may be done by him in exercise of the powers
conferred on him by this license and shall indemnify the Secretary of State
against all claims which may be made by third parties in respect of any such
damage or injury.

3. This license shall not authorise the licensee to mine or quarry though he
will be at liberty within the boundaries of the land specified in the schedule
and subject to the restrictions conditions and provisoes contained in the last
preceding clause to turn up the surface of the said land to a depth not exceed-
ing two feet.

4. This license shall be in force for the period of one year only from the
day of the date of these presents and on the determination thereof the licensee
shall forthwith remove all huts and structures machinery conveniences and
other chattels and effects which he may have erected or brought upon the said
lands.

5. The licensee may remove any specimens or samples found by him in or
upon the said lands in the course of his exploring operations under this license
subject to the following restrictions, viz.,

6. The licensee shall within _____ days of the discovery by him his servants,
workmen or agents of any and all precious stone and stones upon the said lands

report the discovery and produce the stones to the Collector of or to such other officer as the Collector may from time to time appoint in that behalf and the licensee shall pay to the Collector or other officer aforesaid on behalf of the Secretary of State by way of royalty per cent. of the value of the precious stone or stones so found such value in the case of dispute to be fixed by the local Government.

7. In the event of the licensee neglecting or failing to report the discovery of or to produce any precious stone or stones within the time fixed by clause 6 *or to produce them and pay the said royalty upon the same or in the event of his committing any breach of the terms of this license* the Collector of acting on behalf of the Secretary of State may forthwith cancel this license and thereupon all rights conferred thereby or enjoyed thereunder shall absolutely cease and determine.

IN WITNESS whereof the said parties hereto have set their hands the day and year first above written.

Signed by

for and on behalf of the

acting in
the premises for and on behalf of the Sec-
retary of State for India in Council in
the presence of

Names and addresses of }
witnesses.

Signed by the above named

()

in the presence of

Names and addresses of }
witnesses.

Note.—The portions printed in italics are not prescribed by the rules but are suggested as proper and reasonable.

The schedule above referred to

Here insert description
of land with area and bound-
aries, names of District,
Sub-district, Thannah, etc.

Initials of
attender.

Note.—The parties must
sign against the end of the } Witnesses.
schedule.

STANDARD FORM OF PROSPECTING LICENSE.

An Indenture made the _____ day of _____ 189____ BETWEEN THE SECRETARY OF STATE FOR INDIA IN COUNCIL hereinafter called the Secretary of State (which expression is intended to comprise as well the Secretary of State for India in Council as his successors in office and assigns unless the context shall be repugnant to such construction) of the one part and _____ hereinafter called the licensee (which expression is intended to comprise as well the said _____ as his executors administrators and assigns unless the context shall be repugnant to such construction) of the other part. WHEREAS the licensee has applied in accordance with the rules prescribed by the Government for the granting of prospecting licenses to the Collector of _____ in the lands specified in the Schedule marked A hereunder written and has submitted to the said Collector a certificate signed by a Secretary to the Local Government of _____ showing that the licensee has been approved by the said Local Government and has also deposited with the said Collector as security in respect of such license the sum of Rs. _____ being the sum determined by the said Collector for that purpose as required by the said rules AND WHEREAS the said Collector has found that there is no objection to granting the said license NOW THIS INDENTURE WITNESSETH as follows.

In consideration of the rent and royalties covenants and agreements hereinafter reserved and contained on the part of the licensee to be paid and observed the Secretary of State doth hereby grant and demise unto the licensee the sole right and license (subject to the conditions hereinafter contained).

- (1) to enter upon the lands described in the said Schedule A and to mine quarry bore dig search for win and work all or any _____ lying or being within under or throughout the said lands without any interruption claim or disturbance from or by the Secretary of State or any other person or persons whomsoever
- (2) to carry away and dispose of the produce thereof to and for the use and benefit of the licensee
- (3) for the purposes aforesaid to clear undergrowth and brushwood and (with the sanction of the Collector previously obtained in writing) to make and use any drains or water-courses on the said lands for clearing the

- (4) from any water which may flow or accumulate therein and with the like sanction to erect and bring upon the said lands all such temporary huts sheds and structures steam and other engines machinery and conveniences chattels and effects as shall be proper and necessary for effectually carrying on the prospecting operations hereby licensed or for the workmen employed therein

TO HAVE AND TO HOLD the said right and license and other the premises hereby granted and demised with their appurtenances unto the licensee from the date _____ of this license for the term* of (_____) RENDERING the rents and royalties in Schedule B hereto specified subject to the right of the licensee (save in the case of precious stones) to win use and take free of royalty for the purposes of experiment or as specimens the quantities mentioned in Schedule C hereto

* One year or such shorter period as the licensee may desire.

NOTE.—All blank spaces must be filled up in this form before signature.

Initials of attender.

Covenants by licensee.

The licensee doth hereby covenant with the Secretary of State as follows—

1. The licensee will pay to the Secretary of State the said rent and royalties and will work and carry on the operations hereby licensed in a fair orderly skilful and workmanlike manner and with as little damage as possible to the surface of the said lands and to the trees crops buildings structures and other property thereon
2. He will not enter upon or commence prospecting in any reserve forest included in the lands specified in the schedule marked A hereunder written without days previous written notice to the District Forest Officer nor without obtaining the sanction in writing of that officer upon such conditions as such officer may in his absolute discretion prescribe.
3. He will not enter upon any lands in the occupation of any person without the consent of the occupier nor without the consent of the owner thereof cut or in any way injure any trees standing crops or buildings huts or other structures or property of any kind of any occupier of the said lands or any part thereof or of any other private person.
4. He will make and pay reasonable satisfaction and compensation for all injury which may be done in the exercise of the powers conferred by this license and will whenever the said security deposit or any portion thereof or any further sum which may be deposited shall be applied as hereinafter mentioned forthwith deposit such further sum with the said Collector as may be required to bring the amount for the time being deposited up to the required sum of Rs.
5. He will at all times indemnify the Secretary of State against all claims or suits which may be made or brought by third parties in respect of any such damage and injury and against all costs and expenses relating thereto
6. He will not cut or injure any timber or tree on any unoccupied or unreserved land without the permission of the said Collector in writing
7. He will not grant or assign any interest under this license to any persons without the previous consent in writing of the Local Government or to any Company without the previous sanction of the Governor General in Council
8. He will well and truly measure and weigh or cause to be measured and weighed upon some part of the said lands the whole produce which shall be so won as aforesaid of and the said other minerals or such of them as may be required to be weighed for the purpose of ascertaining the amount of royalty payable in respect thereof at least in every State how often.
- and as many other times as occasion may require and notice in writing of every such measuring and weighing shall be given to the said Collector in order that he or some person on his behalf may be present at such measuring and weighing and attend to the proper conduct thereof and no part of the said produce shall on any account be taken away from the said lands until the same shall have been so measured or weighed as the case may be
9. He will ascertain in such manner as the Local Government may from time to time prescribe the value of all precious stones and of all other minerals ores and metals won dressed or extracted which may be required to be valued for the purpose of ascertaining the amount of royalty payable in respect thereof
10. He will upon the expiration or sooner determination of this licence or the abandonment of the undertaking hereby licensed whichever shall first occur with all convenient speed remove all such buildings structures engines machinery and other property and effects erected or brought by him upon the said lands under the provisions hereof
11. He will within six months after the expiration or sooner determination of this license or the date of the abandonment of the said undertaking whichever shall first occur securely plug all bores and fill up or fence all holes and excavations that he may have made in the said lands to such extent as the said Collector may require and will to the like extent restore so far as may be to their natural or original condition the surface of the said lands and all buildings and structures thereon which he may have damaged in the course of prospecting

Powers of Government.

1. If the licensee shall at any time refuse or neglect to observe or perform all or any of the conditions herein mentioned and on his part to be observed and performed the said Collector may by notice in writing signed by him and delivered to the licensee or left at the lands for which this license is given summarily declare that the license hereby granted shall thenceforth determine and thereupon the license and all rights and liberties conferred hereby or enjoyed hereunder shall forthwith determine without prejudice to the rights and remedies of the Secretaries of State in respect of any prior breach or non-performance of all or any of the conditions hereof on the part of the licensee and except in respect of the covenants on the part of the licensee herein mentioned to be performed after the expiration or sooner determination of this license or after the abandonment of the undertaking hereby licensed
2. It shall be lawful for the said Collector at all times to apply the said security deposit of Rs. or any portion thereof or any further sum which may be deposited under the provisions next hereinafter contained in making good and satisfying the claim of any third parties in respect of damage or injury above mentioned done by the licensee and also in indemnifying the Secretary of State against any claims by any such third parties in respect of any such injury or damage and all suits and proceedings instituted against the Secretary of State for or in respect of any such damage or injury and all costs and expenses relating thereto.
3. Provided that if upon the determination of this license or of any renewal thereof the amount for the time being in deposit with the said Collector or so much thereof as shall not be required by the said Collector to be applied as above mentioned shall if the licensee shall become the lessee of any mining lease of the said lands or any portion thereof under the provisions hereinafter contained be carried to his credit as part of the rents and royalties payable under such lease or if he shall decline or fail to obtain any such lease as aforesaid then the same shall be returned to the licensee provided also that if the Collector has reason to anticipate that any such claims as aforesaid are likely to be made by third parties he may retain the amount of the said security or such portion thereof as he may think proper for a period not exceeding six months beyond the determination of this license or any renewal thereof as aforesaid

Covenants by the Secretary of State.

THE SECRETARY OF STATE hereby covenants that if upon the expiration by effluxion of time of the term hereby granted the said Collector is satisfied that the licensee has been prevented from completing his search of the said lands by any cause other than his own default then the said Collector may at the request and cost of the licensee in writing renew this license for such further term not exceeding one year as the licensee may desire from the expiration of the term hereby granted subject to the like conditions in all respects as are herein contained except this covenant for renewal AND ALSO that on or before the determination of this license the licensee shall have a right (subject to the rules prescribed by the Government for granting mining leases and provided that the Local Government is satisfied that the prospecting operations hereby licensed have been of a bona fide character) to a mining lease in accordance with the terms contained in the said rules of so much of the said lands not exceeding the area specified in the said rules and upon such conditions as the Governor General in Council may think fit.

Arbitration clause.

If at any time during the continuance of this license or after the determination thereof any question or dispute shall arise regarding this license or any matter or thing connected herewith or the powers or duties of the licensee hereunder or the amount or payment of any rent or royalty then and in all such cases the

matter in difference shall be decided by the Local Government whose decision shall be final. In witness whereof the said parties hereto have set their hands hereto the day and year first above written

Signed by

For and on behalf of the

acting in
the premises for and on behalf of the
Secretary of State for India in Council in
the presence of

Names and addresses of }
witnesses.

Signed by the abovenamed

() in the presence of

Names and addresses of }
witnesses.

Note—The portions printed in italics are not prescribed by the rules but are suggested as proper and reasonable.

Schedule A.

Here insert description of
land with area boundaries,
names of District, sub-dis-
trict, Thannah, etc.

Initials of
attender.

Initials of
attender.

Schedule C.

Here insert quantities
which may be taken free
of royalty.

Schedule B.

Here insert the rents and
royalties.

Note.—The parties must
sign against the end of
the schedules.

Witnesses.

for copying
ied
mined
ned } 189

GO., No
189 DATED

No.

CLOSURES TO C. No.

OF GOVERNMENT

OF GOVERNMENT.

STATEMENTS WITH DITTO.

PAPERS NOT FILED UP, BEING MEANT FOR DESPATCH
IN ORIGINAL.

F.B.—
A = Copy in full.
B = Not to be copied.
P = Copy abstract only.
Q = Copy heading only

Initials of
attender.