

Revenue (1898) Department.

MISCELLANEOUS SERIES.

G.O., No. 4227

DATED 31st October 98

[Despatch Abstract.]

Recording with remarks of the
Board of Revenue Communicating to the
Collector of Bellary for adoption forms of
prospecting license & mining lease
relating to mica

BACK PAPERS.

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

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
Cir	566 of 18	99	10/10/98				
So	125	Rev	13.200				
So	316	Rev	2.4.02				

Revenue (1898) Department.

CURRENT No. 5157



From

Board of Revenue
Land Revenue

Order issue No. 4227 dt 31st Oct: 1898

Recorded

MU
14.10.98

No. 129.

Dated 27 - 5 - 98.

Received 22 - 2 - 98.

Registered 23 - n

Enclosures

Spare copies

SUBJECT.

with the remark that the words
"linker or" should be inserted after
words "injure any" occurring
in para (6) "Covenants by the licensee" of
the Prospecting license and in para
3 Part III of the Schedule to
the mining lease.

By B. of Rev (d. 22)
24/10/98

Copy to the B. of
Mellor for adoption forms of
prospecting license and
mining lease relating to
mish.

C. 22.10.98
R. 25.10.98

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

REVENUE DEPARTMENT.

1898.

Board of Revenue

(Land Revenue),

MADRAS.

Printed July th.

Proceedings, No. 129, 27th May 1898.

MAY.

Communicating to the Collector of Nellore for adoption forms of prospecting license and mining lease relating to mica.

PROCEEDINGS OF THE BOARD OF REVENUE
(LAND REVENUE).

READ—the following letter from E. SCOTT, Esq., Acting Collector of Nellore, to the Secretary to the Commissioners of Land Revenue (through the Conservator of Forests, Central Circle), dated 10th November 1897, Ref. No. 127-For.:

With reference to Board's Proceedings, No. 330, dated 9th October 1897, enclosing forms of exploring and prospecting licenses and mining lease for coal, I have the honour to request to be informed if the Board intends to supply this office with the forms of mica mining lease as referred to in paragraph 4 of Board's Proceedings (Land Revenue), No. 436, dated 23rd November 1896.

Endorsement by E. P. POPERT, Esq., Conservator of Forests, Central Circle, dated Mount Stuart, 18th November 1897, No. 932.

Forwarded.

Reference on the above, dated 2nd December 1897.

A copy of the rules relating to prospecting and mining for mica prepared on the basis of the Government of India Mining Rules is herewith forwarded to the Government Solicitor, together with a copy of Board's Proceedings, No. 330, dated 9th October 1897, containing the revised standard forms of prospecting license and mining lease recently issued by the Government of India.

The Government Solicitor is requested to draw up forms of prospecting license and mining lease relating to mica on the model of the Government of India forms. The forms should be brief and simple and avoid as far as possible all technicalities.

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

To the Government Solicitor, with letter to be returned and copies of the Government of India Mica Rules and Board's Proceedings, No. 330, dated 9th October 1897.

READ—the following letter from E. BARCLAY, Esq., Government Solicitor, Madras, to the Secretary, to the Commissioners of Land Revenue, dated 17th February 1898, No. 91:—

As directed in the Board's Reference, dated 2nd December 1897, No. 5706, I have prepared and I forward herewith forms of prospecting license and mining lease relating to mica on the model of the Government of India forms. It was quite impossible to make the forms now sent more brief or less technical than the Government of India forms which I was to use as models and, I think, the enclosed forms are as simple as they can be made, to comply with the rules.

2. I return the letter, dated 10th November 1897, Ref. No. 127-For. from the Acting Collector of Nellore to your address.

RESOLUTION—No. 129, dated 27th May 1898.

The forms of prospecting license and mining lease relating to mica received with the Government Solicitor's letter read above will be printed as appendices to these proceedings and communicated to the Collector of Nellore for adoption.

2. Paragraph 8 of the prospecting license providing for weighing and measurement and paragraph 9, Part VII of the schedule to the form of mining lease relating to the maintenance of plans of working have been slightly modified so as to leave discretion with the Collector. It will be understood that notice prior to weighing should ordinarily be required only in the case of mines on a very large scale.

(1) 3. The Board has also slightly modified Schedule A to the form of prospecting license and has omitted the clause of renewal contained in paragraph 2 of Part VIII of the schedule to the form of mining lease. It has further amplified schedule B to the form of prospecting license and paragraph 2, Part VI of the schedule to the form of mining lease so as to reserve to the Board the right of altering the scale of values to be adopted for the purpose of calculating royalty leviable on mica removed from the mines.

4. The Collector will indent on the Superintendent, Government Press, for the required number of forms.

(True Copies and Extract.)

Acting Secretary.

To the Collector of Nellore.
" Superintendent, Government Press.
" the Secretary to Government, Revenue Department.

APPENDIX.

Form of Prospecting License for Mica.

[Note.—All blank spaces must be filled up in this form before signature]

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 as 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 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 of Madras for the granting of prospecting licenses to the Collector of _____ for a license to prospect for mica 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 Government of Madras showing that the licensee has been approved by the said 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 right and license (subject to the conditions hereinafter contained).

(1) to enter upon the lands described in the said schedule A (and delineated in the map or plan thereof hereunto annexed and therein coloured) and to mine quarry bore dig search for win and work all or any mines beds veins and seams of mica 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 watercourses on the said lands for clearing the said mines beds veins and seams from any water which may flow or accumulate therein,

(4) and with 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 rights and licenses 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 and paying therefor free and clear of all rates taxes charges and deductions the rents and royalties in schedule B hereto specified subject to the right of the licensee to win use take and remove free of royalty for the purposes of experiment or as specimens one hundred weight of the mica obtained from the said lands.

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 skillful and workman like 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

† Note or "any further security which may be given."

‡ Note or "forthwith give such further security to."

§ Note or "of the said security."

security 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 tree on any unoccupied or unreserved land or in any reserved forests without the permission of the said Collector in writing but it shall be open to the licensee to purchase from the Secretary of State any of such trees at such prices as may be fixed by the said Collector.

(7) He will not grant or assign any interest under this license to any persons without the previous consent in writing of the Government of Madras or to any company without the previous sanction of the Governor-General of India 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 of mica which shall be so won as aforesaid for the purpose of ascertaining the amount of royalty payable in respect thereof at least once in every month and as many other times as occasion may require and in cases in which the Collector may so require seven days' 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 and weighed.

(9) He will ascertain in such manner as the Government of Madras may from time to time prescribe the value of all precious stones and of all minerals ores and metals (other than mica) which may be won dressed or extracted and 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 license 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 calendar 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 holes 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 on any part of 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 Secretary 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 abandonment of the undertaking hereby licensed.

(2) It shall be lawful for the said Collector at all times to apply the said security of Rs. or any portion thereof or any further sum which may be deposited under the provisions

hereinbefore contained in making good and satisfying the claim of any third parties in respect of any damage or injury abovementioned done by the licensee and also in indemnifying the Secretary of State against any claim by any 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) It shall also be lawful for the Collector at the expiration or sooner determination of this license to deduct from the said security such sum as the Collector may fix as the amount of damage done to the said lands and buildings by the operations of the licensee and all expenses that may be incurred in remedying any breach by the licensee of the tenth or eleventh covenants on his part hereinbefore contained.

(4) 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 abovementioned 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 security required in respect of such lease or if he shall decline or fail to obtain any such lease as aforesaid then the said security shall be returned to the licensee: Provided that if the said 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 calendar 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 in writing and cost of the licensee 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 Government of Madras 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 Government of Madras whose decision shall be final.

In Witness whereof
the Secretary to the Government of Madras in
Department by order and direction of His Excellency the Governor-General of India in Council acting for and on behalf of the Secretary of State and the licensee have hereunto and to a duplicate hereof set their respective hands the day and year first above written.

SCHEDULE A.

District.	Taluk.	Village.	Survey number or boundaries of the land applied for.	Area.

SCHEDULE B.

Surface rent

RS. A.

Royalty.—Five per cent. *ad valorem* on every pound of mica removed from the premises included in schedule A calculated on the following or such other scale as may be from time to time prescribed by the Board of Revenue.

Class		Coloured mica.			White mica.		
		RS.	A.	P.	RS.	A.	P.
I.	Four square inches and under	0	2	0	0	3	0
II.	Above 4 square inches and not more than 8	0	4	0	0	6	0
III.	Above 8 square inches and not more than 16	0	10	0	1	0	0
IV.	Above 16 square inches and not more than 32	1	8	0	3	0	0
V.	Above 32 square inches and not more than 48	3	0	0	5	0	0
VI.	Above 48 square inches and not more than 64	4	8	0	7	0	0
VII.	Above 64 square inches and not more than 80	6	0	0	9	0	0
VIII.	Above 80 square inches and not more than 96	7	8	0	11	0	0
IX.	Above 96 square inches and not more than 112, and so on	9	0	0	13	0	0

Note.—The size of plates shall be calculated for assessment according to the greatest rectangular area the slabs will yield.

Signed by the abovenamed
in the presence of

Signed by the abovenamed
in the presence of

APPENDIX.

1. Form of mining lease for mica.—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 (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 [Whereas the lessee has applied in accordance with the rules prescribed by the Government of India and the Government of Madras respectively for a lease for mining for mica in the lands mentioned and described in the first part of the schedule hereunder written and delineated in the plan thereof hereunto annexed and therein coloured and has deposited with the Collector of the sum of Rupees as security for the due and faithful performance by the lessee of the covenants and agreements on his part herein contained such sum of Rupees being the sum determined by the said Collector under the said rules of the Government of Madras. Now this Indenture] witnesseth that in consideration of the rents and royalties and lessee's covenants hereinafter reserved and contained the lessor doth hereby demise unto the lessee the mines beds veins seams and deposits of mica mentioned and described in the first part of the schedule hereunder written and delineated in the plan thereof hereunto annexed and therein coloured 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 royalties 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 Secretary to the Government of Madras by order and direction of His Excellency the Governor-General of India in Council acting for and on behalf of the lessor and the lessee have hereunto set their respective hands and seals the day and year first above written.

Signed sealed and delivered by the
abovenamed in the presence of

Names and addresses of
witnesses

Signed sealed and delivered by the
abovenamed in the presence of

Names and addresses of
witnesses

THE SCHEDULE ABOVE REFERRED TO.

Part I.—The mines demised by this lease.

Description of mines.—The mines beds veins seams and deposits of mica lying and being within and under the land situate lying and being in which are delineated in the plan hereunto annexed and therein coloured 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. Grant of liberty to work the mines.—Liberty and power for the lessee at all times during the term hereby granted to work the said mines and premises and to win and get the said mines and the produce thereof.

2. To sink pits.—Liberty and power to dig sink drive make repair and use all such pits shafts drifts levels dams embankments drains 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.

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

Note.—In cases where other security is given, this should read "given security to the satisfaction of the Collector of in the sum of rupees."

3. *To appropriate water.*—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 and so also that no mining operations be commenced or carried on within a distance of 70 yards of any irrigation source or channel without the consent in writing of the Collector for the time being of the district of and upon such terms as he may decide.]

4. *To appropriate land for stacking.*—Liberty and power to enter into and 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. *To prepare and make merchantable mica gotten.*—Liberty and power in and upon the said lands to dress prepare and make merchantable any mica that may be obtained therefrom whether for purposes of sale or otherwise.

6. *To load and carry away mica.*—Liberty and power to take lead and carry away over the said lands the mica to be gotten as aforesaid and to dispose of the same at his own will and pleasure.

7. *To erect houses, &c.*—Liberty and power to erect set up and make in upon and over the said lands workmen's houses sheds engines machinery pumps 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. *To get gravel, &c.*—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, &c., upon sacred places.*—No shaft pit engine work building or thing shall be sunk opened made or erected and no surface operations shall be 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 Government of Madras 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 any of the above purposes if the same is already in the occupation of and used by any person 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 for any such shaft pit engine work building or thing or for surface operations. *such*

2. *Notice to be given before entering on lands and lessor to be at liberty to object to proposed site.*—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 Collector of 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 Government of Madras whose decision thereon shall be final.

3. *Lessee not to cut down or injure trees without sanction.*—The lessee shall not without the express sanction in writing of the said Collector cut down or injure any tree 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 and may acquire any such trees at prices to be fixed by the said Collector.]

Provided nevertheless that notwithstanding anything in this clause contained the lessee shall not enter for the purpose of commencing operations under the rights and liberties hereby granted upon any reserve forest included in the land delineated on the plan hereto annexed without giving days' previous written notice to the District Forest-officer for the time being or 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 for lessor to work minerals, &c.*—Liberty and power for him the lessor and any lessee or other person authorized by him in that behalf to enter into and upon the said lands and to search for dig work and get any mineral or substances other than mica in upon or under the said lands and for the purposes aforesaid to sink make erect and 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 lands as shall be necessary or expedient Provided always that the said reserved rights and privileges to work for minerals other than mica 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 to the lessee 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 mica the amount of such compensation to be settled in case of difference by reference to the said Government of Madras whose decision thereon shall be final.

2. *Liberty to re-enter.*—Liberty and power for the lessor if the lessee shall not within two years 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 satisfaction of the said Government of Madras 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. *Certain yearly rent.*—The certain yearly rent of Rupees 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 half-yearly 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 yearly rent of Rs. 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 mica as at the rate hereinafter mentioned would yield or pay for that half-year a royalty equal in amount to the said certain rent of Rs. payable for that half-year. 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. *Royalty.*—The lessee shall during the said term pay to the lessor the royalty of 5 per cent. on the value of all mica which shall be removed from the said mines.

3. *Surface rent.*—The further yearly rent of one rupee per acre and so in proportion for any less quantity than an acre of unassessed or poramboke lands and for other lands namely classified and assessed lands at a rate per acre (and so in proportion for any less quantity than an acre) equivalent to the land assessment thereon as mentioned in the revenue accounts of the village in which such last-mentioned lands shall be situate and the surface of which lands respectively shall be occupied or used by the lessee for any of the purposes of this demise the said surface rent to be paid by equal half-yearly payments on the same days as the said certain rent of rupees 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 and royalty shall be paid free from any deductions.

2. *Provision for making up underworkings.*—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 mica as at the abovementioned rate would produce for that half-year the amount of the certain rent hereby reserved and payable for that half-year 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 mica 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 royalty shall be calculated upon the weight of the said mica as and when the same shall be exported from the said mines and on the assumption that all such mica is the best of its size and will fetch the values thereof respectively set forth in the appendix hereto or in such other scale of values as may from time to time be prescribed by the Board of Revenue and such royalty shall be paid on the half-yearly days hereinbefore provided for the payment of the said rents at for and in respect of the mica exported from the said

mines during the preceding half-year and in respect of which the same shall be payable. Provided always that if the lessee shall decide to defer payment of any such royalty until the actual sale price of the mica in respect of which such royalty shall be payable shall be ascertained he shall be at liberty to do so on furnishing to the Collector for the time being of such security as the said Collector may determine for payment of the amount of such royalty at the rate and calculated as hereinbefore mentioned. Provided also that in case the lessee shall have paid such royalty at such rate and so calculated as aforesaid and shall produce to the said Collector within six calendar months from the date of the export from the said mines of the mica in respect of which such royalty was payable a certificate by the shipper of such mica in a form prescribed by the Government of Madras and showing the actual receipts from sales of such mica of each dimension as mentioned in the said appendix hereto then and in that case the lessee shall be entitled to receive from the lessor such amount (if any) as the lessee shall have paid in excess of the royalty payable on the mica sold at the price or prices mentioned in such receipts.

XX

Part VII.—The Lessee's Covenants.

1. *To pay rent rates and taxes.*—The lessee will pay the rents and royalty reserved by this lease at the times and in the manner above appointed in that behalf and will 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 Government of Madras or otherwise except demands for land revenue and will also pay interest at the rate of per cent. per annum on all arrears of such rents or royalty from the due date thereof.

2. *To erect boundary marks.*—The lessee will 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. *To work continuously.*—The lessee will within two years from the commencement of the term hereby granted start and work the said mines to the satisfaction of said Government of Madras and will thereafter at all times during the continuance of this lease continuously work for and as far as possible obtain mica 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 may lie and will not cultivate or use the said lands in any manner save for the purposes of this demise and the rights hereby granted.

4. *To secure pits and shafts.*—The lessee will 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 will at all times during the said term keep the said mines except abandoned mines free from water and from foul air as far as possible.

5. *Lessor to inspect.*—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 will effectually assist the lessor's agents servants and workmen in conducting such inspection and will afford them all information connected with the working of the mines which they may reasonably require and also 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. *To report accidents.*—The lessee will without delay send to the Collector for the time being of the district of 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. *To report finding of minerals, &c., other than mica.*—The lessee will at all times upon finding any mineral or product other than mica immediately report such finding in writing to the said Collector 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 to the lessor 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 said Government of Madras 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 Government of India 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. *To keep books of accounts.*—The lessee will at all times during the said term keep or cause to be kept at the office or counting house of the works to be situated in or contiguous to some part of the said lands correct and intelligible books of account upon such plan or principle and in such form as may be approved of by the said Government of Madras which books shall contain accurate entries of (1) the quantity of mica raised and brought to bank from the mines which have been or may be made or sunk by the lessee or otherwise gotten by him under the license and liberties in that behalf hereinbefore contained (2) the quantity of mica sold and exported from the said mines and (3) the quantity of mica otherwise disposed of and the manner and purpose in and for which the same have been or are intended to be applied (4) the number of persons employed in the said mines and works 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 mica has been disposed of and will also at his own expense furnish to such officer as the said Government of Madras may from time to time direct and at such times as the said Government of Madras may appoint true and correct abstracts of all or any of such accounts and returns and will at all reasonable times allow such officers or persons as the said 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.

To furnish abstracts of accounts, &c.

9. *To keep plans of working.*—The lessee if so required by the Collector will 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 of the said mines and workings which 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 calendar months and the lessee will at his own cost furnish to the lessor true and correct copies of such plans and sections when thereunto required.

10. *To provide weighing machine.*—The lessee will 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 or at or near the workings or each of the works where such produce shall be gotten a good and properly constructed weighing machine and will weigh or cause to be weighed therein all mica brought to bank from or out of the mines hereby demised or which may be sunk or made by the lessee or which mica may be otherwise gotten by the lessee respectively under the license and liberties in that behalf hereinbefore contained and will at the end of each day cause the total weights of the mica gotten during the previous twenty-four hours and weighed as aforesaid to be entered in the aforesaid book or books of account. The lessee will also weigh or cause to be weighed in the said machine or machines all mica sold at or exported from the said mines and will cause true and correct entries to be made daily in the aforesaid books of account of all mica so sold or exported 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 getting and weighing of the said mica and the removal thereof from the mines or works for sale or for export and to keep accounts thereof and to check the accounts kept by the lessee.

11. *The lessor may test weighing machine.*—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 therewith 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 weight 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 weight 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 certain rent and royalty shall be paid and accounted for accordingly.

12. *Not to assign or under-let without license.*—The lessee will not assign or under-let 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 Government of Madras 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. *To keep a Manager or Agent.*—The lessee will 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 the said premises

the lessor shall be at liberty to treat any other person there as such agent and to serve all notices and 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 such notices or documents upon some conspicuous portion of the said premises in the occupation of the lessee.

14. *To pay compensation for injury to third parties.*—The lessee will make and pay reasonable satisfaction and compensation for all injury which may be done by him his agents or servants in exercise of the liberties and powers hereby granted to the property and rights of third parties and will 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. *To deliver up mines, &c., in good order.*—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. *For quiet enjoyment.*—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. *Liberty to lessee after expiry of lease to enter and remove machinery, &c.*—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 his 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. *Power of distress.*—If the rents or royalty hereby reserved or any or either of them or any part thereof respectively shall be behind or unpaid for the space of twenty-eight 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 seize 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 or may sell all or any of such engines plant live and dead stock and things either by public auction or private contract and with and out of the proceeds of such sale after deducting thereout all expenses connected therewith or occasioned by such non-payment may retain and keep all such rent and royalty as shall be behind or unpaid.

2. *Power of re-entry.*—If the rents or royalty hereby reserved or any 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 this lease and on his part to be observed and performed or any of them then and in any 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 and premises 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. *Proviso for lessor to purchase.*—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.

4. *Right of lessee to determine lease of mines destroyed by act of God.*—If at any time during the continuance of this demise the said mines and works 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 shall 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.

5. *Differences to be determined by the Government of Madras.*—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 mica or 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 Government of Madras whose decision shall be final.

APPENDIX

Showing the scale of values to be adopted for the purpose of calculating royalty leviable upon every pound of mica removed from the mines.

Class.			Coloured mica.			White mica.		
			RS.	A.	P.	RS.	A.	P.
I.	4 square inches and under	...	8	0	2	0	0	3
II.	Above 4 square inches and not more than 8	...	16	0	4	0	0	6
III.	" 16 "	"	32	1	8	0	3	0
IV.	" 32 "	"	48	3	0	0	5	0
V.	" 48 "	"	64	4	8	0	7	0
VI.	" 64 "	"	80	6	0	0	9	0
VII.	" 80 "	"	96	7	8	0	11	0
VIII.	" 96 "	"	112	9	0	0	13	0
IX.	"	"						

And so on in proportion, the size of the plates being calculated according to the greatest rectangular area the slabs will yield.

In witness whereof

Secretary to the Government of Madras in the Department by order and direction of His Excellency the Governor-General of India in Council acting for and on behalf of the lessor and the lessee have hereunto and to a duplicate hereof set their respective hands and seals the day and year first above written.

Signed sealed and delivered by the abovenamed

in the presence of

Signed sealed and delivered by the abovenamed

in the presence of

REVENUE DEPARTMENT.

1898.

Board of Revenue

(Land Revenue),

MADRAS.

Printed July 23rd.

Proceedings, No. 129, 27th May 1898.

MAY.

Communicating to the Collector of Nellore for adoption forms of prospecting license and mining lease relating to mica.

PROCEEDINGS OF THE BOARD OF REVENUE
(LAND REVENUE).

READ—the following letter from E. SCOTT, Esq., Acting Collector of Nellore, to the Secretary to the Commissioners of Land Revenue (through the Conservator of Forests, Central Circle), dated 10th November 1897, Ref. No. 127-For.:

With reference to Board's Proceedings, No. 330, dated 9th October 1897, enclosing forms of exploring and prospecting licenses and mining lease for coal, I have the honour to request to be informed if the Board intends to supply this office with the forms of mica mining lease as referred to in paragraph 4 of Board's Proceedings (Land Revenue), No. 436, dated 23rd November 1896.

Endorsement by E. P. POPERT, Esq., Conservator of Forests, Central Circle, dated Mount Stuart, 18th November 1897, No. 932.

Forwarded.

Reference on the above, dated 2nd December 1897.

A copy of the rules relating to prospecting and mining for mica prepared on the basis of the Government of India Mining Rules is herewith forwarded to the Government Solicitor, together with a copy of Board's Proceedings, No. 330, dated 9th October 1897, containing the revised standard forms of prospecting license and mining lease recently issued by the Government of India.

The Government Solicitor is requested to draw up forms of prospecting license and mining lease relating to mica on the model of the Government of India forms. The forms should be brief and simple and avoid as far as possible all technicalities.

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

To the Government Solicitor, with letter to be returned and copies of the Government of India Mica Rules and Board's Proceedings, No. 330, dated 9th October 1897.

READ—the following letter from E. BARCLAY, Esq., Government Solicitor, Madras, to the Secretary, to the Commissioners of Land Revenue, dated 17th February 1898, No. 91:—

As directed in the Board's Reference, dated 2nd December 1897, No. 5706, I have prepared and I forward herewith forms of prospecting license and mining lease relating to mica on the model of the Government of India forms. It was quite impossible to make the forms now sent more brief or less technical than the Government of India forms which I was to use as models and, I think, the enclosed forms are as simple as they can be made, to comply with the rules.

2. I return the letter, dated 10th November 1897, Ref. No. 127-For. from the Acting Collector of Nellore to your address.

RESOLUTION—No. 129, dated 27th May 1898.

The forms of prospecting license and mining lease relating to mica received with the Government Solicitor's letter read above will be printed as appendices to these proceedings and communicated to the Collector of Nellore for adoption.

2. Paragraph 8 of the prospecting license providing for weighment and measurement and paragraph 9, Part VII of the schedule to the form of mining lease relating to the maintenance of plans of working have been slightly modified so as to leave discretion with the Collector. It will be understood that notice prior to weighment should ordinarily be required only in the case of mines on a very large scale.

3. The Board has also slightly modified Schedule A to the form of prospecting license and has omitted the clause of renewal contained in paragraph 2 of Part VIII of the schedule to the form of mining lease. It has further amplified schedule B to the form of prospecting license and paragraph 2, Part VI of the schedule to the form of mining lease so as to reserve to the Board the right of altering the scale of values to be adopted for the purpose of calculating royalty leviable on mica removed from the mines.

4. The Collector will indent on the Superintendent, Government Press, for the required number of forms.

(True Copies and Extract.)

(Signed) LIONEL DAVIDSON,
Acting Secretary.

To the Collector of Nellore.

Copy to other Collectors.

" to the Superintendent, Government Press.

" to the Secretary to Government, Revenue Department.

APPENDIX.

Form of Prospecting License for Mica.

[Note.—All blank spaces must be filled up in this form before signature.]

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 as 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 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 of Madras for the granting of prospecting licenses to the Collector of _____ for a license to prospect for mica 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 Government of Madras showing that the licensee has been approved by the said Government and has also deposited with the said Collector as security in respect of such _____ being the sum of Rs. _____

* Note.—In cases where other security is given this should read "given security in respect of the said license to the satisfaction of the said Collector in."

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 right and license (subject to the conditions hereinafter contained).

(1) to enter upon the lands described in the said schedule A and delineated in the map or plan thereof hereunto annexed and therein coloured and to mine quarry bore dig search for win and work all or any mines beds veins and seams of mica 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 watercourses on the said lands for clearing the said mines beds veins and seams from any water which may flow or accumulate therein,

(4) and with 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 rights and licenses 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 and paying therefor free and clear of all rates taxes charges and deductions the rents and royalties in schedule B hereto specified subject to the right of the licensee to win use take and remove free of royalty for the purposes of experiment or as specimens one hundred weight of the mica obtained from the said lands.

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 skillful and workman like 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

† Note or "any further security which may be given."

‡ Note or "forthwith give such further security to."

§ Note or "of the said security."

security 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 tree on any unoccupied or unreserved land or in any reserved forests without the permission of the said Collector in writing but it shall be open to the licensee to purchase from the Secretary of State any of such trees at such prices as may be fixed by the said Collector.

(7) He will not grant or assign any interest under this license to any persons without the previous consent in writing of the Government of Madras or to any company without the previous sanction of the Governor-General of India 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 of mica which shall be so won as aforesaid for the purpose of ascertaining the amount of royalty payable in respect thereof at least once in every month and as many other times as occasion may require and in cases in which the Collector may so require seven days' 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 and weighed.

(9) He will ascertain in such manner as the Government of Madras may from time to time prescribe the value of all precious stones and of all minerals ores and metals other than mica which may be won dressed or extracted and 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 license 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 calendar 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 on any part of the lands for which this license is given summarily declare that the licensee 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 Secretary 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 hereinmentioned 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 of

* Note "security which may be given."

Rs.

or any portion thereof or any further sum* which may be deposited under the provisions

hereinbefore contained in making good and satisfying the claim of any third parties in respect of any damage or injury abovementioned done by the licensee and also in indemnifying the Secretary of State against any claim by any 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) It shall also be lawful for the Collector at the expiration or sooner determination of this license to deduct from the said security such sum as the Collector may fix as the amount of damage done to the said lands and buildings by the operations of the licensee and all expenses that may be incurred in remedying any breach by the licensee of the tenth or eleventh covenants on his part hereinbefore contained.

(4) Upon the determination of this license or of any renewal thereof the amount † for the

† Note "security for the time being."

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 abovementioned 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 security required in respect of such lease or if he shall decline or fail to obtain any such lease as aforesaid then the said security shall be returned to the licensee: Provided that if the said 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 calendar 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 in writing and cost of the licensee 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 Government of Madras 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 Government of Madras whose decision shall be final.

In Witness whereof

Secretary to the Government of Madras in the Department by order and direction of His Excellency the Governor-General of India in Council acting for and on behalf of the Secretary of State and the licensee have hereunto and to a duplicate hereof set their respective hands the day and year first above written.

SCHEDULE A.

District.	Taluk.	Village.	Survey number or boundaries of the land applied for.	Area.

SCHEDULE B.

Surface rent RS. A.

Royalty.—Five per cent. *ad valorem* on every pound of mica removed from the premises included in schedule A calculated on the following or such other scale as may be from time to time prescribed by the Board of Revenue.

Class		Coloured mica.			White mica.		
		RS.	A.	P.	RS.	A.	P.
I.	Four square inches and under	0	2	0	0	3	0
II.	Above 4 square inches and not more than 8	0	4	0	0	6	0
III.	Above 8 square inches and not more than 16	0	10	0	1	0	0
IV.	Above 16 square inches and not more than 32	1	8	0	3	0	0
V.	Above 32 square inches and not more than 48	3	0	0	5	0	0
VI.	Above 48 square inches and not more than 64	4	8	0	7	0	0
VII.	Above 64 square inches and not more than 80	6	0	0	9	0	0
VIII.	Above 80 square inches and not more than 96	7	8	0	11	0	0
IX.	Above 96 square inches and not more than 112, and so on	9	0	0	13	0	0

Note.—The size of plates shall be calculated for assessment according to the greatest rectangular area the slabs will yield.

Signed by the abovenamed
in the presence of }

Signed by the abovenamed
in the presence of }

APPENDIX.

1. *Form of mining lease for mica.*—This Indenture made the 189 day of "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 "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: Whereas the lessee has applied in accordance with the rules prescribed by the Government of India and the Government of Madras respectively for a lease for mining for mica in the lands mentioned and described in the first part of the schedule hereunder written and delineated in the plan thereof hereunto annexed and therein coloured and has deposited with the Collector of

the sum of Rupees as security for the due and faithful performance by the lessee of the covenants and agreements on his part herein contained such sum of

Rupees being the sum determined by the said Collector under the said rules of the Government of Madras. Now this Indenture witnesseth that in consideration of the rents and royalties and lessee's covenants hereinafter reserved and contained the lessor doth hereby demise unto the lessee the mines beds veins seams and deposits of mica mentioned and described in the first part of the schedule hereunder written and delineated in the plan thereof hereunto annexed and therein coloured 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 royalties 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 Secretary to the Government of Madras by order and direction of His Excellency the Governor-General of India in Council acting for and on behalf of the lessor and the lessee have hereunto set their respective hands and seals the day and year first above written.

Signed sealed and delivered by the
abovenamed in the presence of }

Names and addresses of
witnesses }

Signed sealed and delivered by the
abovenamed in the presence of }

Names and addresses of
witnesses }

THE SCHEDULE ABOVE REFERRED TO.

Part I.—The mines demised by this lease.

Description of mines.—The mines beds veins seams and deposits of mica lying and being thin and under the land situate lying and being in in which are delineated in the plan herunto annexed and therein coloured 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. *Grant of liberty to work the mines.*—Liberty and power for the lessee at all times during the term hereby granted to work the said mines and premises and to win and get the said mines and the produce thereof.

2. *To sink pits.*—Liberty and power to dig sink drive make repair and use all such pits shafts drifts levels dams embankments drains 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.

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

Note.—In cases where other security is given, this should read "given security to the satisfaction of the Collector of in the sum of rupees."

3. *To appropriate water.*—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 and so also that no mining operations be commenced or carried on within a distance of 70 yards of any irrigation source or channel without the consent in writing of the Collector for the time being of the district of and upon such terms as he may decide.

4. *To appropriate land for stacking.*—Liberty and power to enter into and 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. *To prepare and make merchantable mica gotten.*—Liberty and power in and upon the said lands to dress prepare and make merchantable any mica that may be obtained therefrom whether for purposes of sale or otherwise.

6. *To lead and carry away mica.*—Liberty and power to take lead and carry away over the said lands the mica to be gotten as aforesaid and to dispose of the same at his own will and pleasure.

7. *To erect houses, &c.*—Liberty and power to erect set up and make in upon and over the said lands workmen's houses sheds engines machinery pumps 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. *To get gravel, &c.*—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, &c., upon sacred places.*—No shaft pit engine work building or thing shall be sunk opened made or erected and no surface operations shall be 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 Government of Madras 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 any of the above purposes if the same is already in the occupation of and used by any person 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 for any such shaft pit engine work building or thing or for surface operations.

2. *Notice to be given before entering on lands and lessor to be at liberty to object to proposed site.*—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 Collector of 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 Government of Madras whose decision thereon shall be final.

3. *Lessee not to cut down or injure trees without sanction.*—The lessee shall not without the express sanction in writing of the said Collector cut down or injure any tree 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 and may acquire any such trees at prices to be fixed by the said Collector.

Provided nevertheless that notwithstanding anything in this clause contained the lessee shall not enter for the purpose of commencing operations under the rights and liberties hereby granted upon any reserve forest included in the land delineated on the plan hereunto annexed without giving days' previous written notice to the District Forest-officer for the time being of 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 for lessor to work minerals, &c.*—Liberty and power for him the lessor and any lessee or other person authorized by him in that behalf to enter into and upon the said lands and to search for dig work and get any mineral or substances other than mica in upon or under the said lands and for the purposes aforesaid to sink make erect and 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 lands as shall be necessary or expedient provided always that the said reserved rights and privileges to work for minerals other than mica 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 to the lessee 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 mica the amount of such compensation to be settled in case of difference by reference to the said Government of Madras whose decision thereon shall be final.

2. *Liberty to re-enter.*—Liberty and power for the lessor if the lessee shall not within two years 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 *bonâ fide* progress to the satisfaction of the said Government of Madras 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. *Certain yearly rent.*—The certain yearly rent of Rupees 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 half-yearly 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 yearly rent of Rs. 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 mica as at the rate hereinafter mentioned would yield or pay for that half-year a royalty equal in amount to the said certain rent of Rs. payable for that half-year. 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. *Royalty.*—The lessee shall during the said term pay to the lessor the royalty of 5 per cent. on the value of all mica which shall be removed from the said mines.

3. *Surface rent.*—The further yearly rent of one rupee per acre and so in proportion for any less quantity than an acre of unassessed or poramboke lands and for other lands namely classified and assessed lands at a rate per acre (and so in proportion for any less quantity than an acre) equivalent to the land assessment thereon as mentioned in the revenue accounts of the village in which such last-mentioned lands shall be situate and the surface of which lands respectively shall be occupied or used by the lessee for any of the purposes of this demise the said surface rent to be paid by equal half-yearly payments on the same days as the said certain rent of rupees 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 and royalty shall be paid free from any deductions.

2. *Provision for making up underworkings.*—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 mica as at the abovementioned rate would produce for that half-year the amount of the certain rent hereby reserved and payable for that half-year 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 mica 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 royalty shall be calculated upon the weight of the said mica as and when the same shall be exported from the said mines and on the assumption that all such mica is the best of its size and will fetch the values thereof respectively set forth in the appendix hereto or in such other scale of values as may from time to time be prescribed by the Board of Revenue and such royalty shall be paid on the half-yearly days hereinbefore provided for the payment of the said rents at for and in respect of the mica exported from the said

mines during the preceding half-year and in respect of which the same shall be payable. Provided always that if the lessee shall decide to defer payment of any such royalty until the actual sale price of the mica in respect of which such royalty shall be payable shall be ascertained he shall be at liberty to do so on furnishing to the Collector for the time being of such security as the said Collector may determine for payment of the amount of such royalty at the rate and calculated as hereinbefore mentioned. Provided also that in case the lessee shall have paid such royalty at such rate and so calculated as aforesaid and shall produce to the said Collector within six calendar months from the date of the export from the said mines of the mica in respect of which such royalty was payable a certificate by the shipper of such mica in a form prescribed by the Government of Madras and showing the actual receipts from sales of such mica of each dimension as mentioned in the said appendix hereto then and in that case the lessee shall be entitled to receive from the lessor such amount (if any) as the lessee shall have paid in excess of the royalty payable on the mica sold at the price or prices mentioned in such receipts.

Part VII.—The Lessee's Covenants.

1. *To pay rent rates and taxes.*—The lessee will pay the rents and royalty reserved by this lease at the times and in the manner above appointed in that behalf and will 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 Government of Madras or otherwise except demands for land revenue and will also pay interest at the rate of _____ per cent. per annum on all arrears of such rents or royalty from the due date thereof.

2. *To erect boundary marks.*—The lessee will 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. *To work continuously.*—The lessee will within two years from the commencement of the term hereby granted start and work the said mines to the satisfaction of said Government of Madras and will thereafter at all times during the continuance of this lease continuously work for and as far as possible obtain mica 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 may lie and will not cultivate or use the said lands in any manner save for the purposes of this demise and the rights hereby granted.

4. *To secure pits and shafts.*—The lessee will 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 will at all times during the said term keep the said mines except abandoned mines free from water and from foul air as far as possible.

5. *Lessor to inspect.*—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 will effectually assist the lessor's agents servants and workmen in conducting such inspection and will afford them all information connected with the working of the mines which they may reasonably require and also 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. *To report accidents.*—The lessee will without delay send to the Collector for the time being of the district of _____ 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. *To report finding of minerals, &c., other than mica.*—The lessee will at all times upon finding any mineral or product other than mica immediately report such finding in writing to the said Collector 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 to the lessor 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 said Government of Madras 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 Government of Madras 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. *To keep books of accounts.*—The lessee will at all times during the said term keep or cause to be kept at _____ counting house of the works to be situate in or contiguous to some part of the _____ set and intelligible books of account upon such plan or principle and in such form as _____ approved of by the said Government of Madras which books shall contain accurate entries of (1) the quantity of mica raised and brought to bank from the mines which have been or may be made or sunk by the lessee or otherwise gotten by him under the licenses and liberties in that behalf hereinbefore contained (2) the quantity of mica sold and exported from the said mines and (3) the quantity of mica otherwise disposed of and the manner and purpose in and for which the same have been or are intended to be applied (4) the number of persons employed in the said mines and works 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 mica has been disposed of and will also at his own expense furnish to such officer as the said Government of Madras may from time to time direct

To furnish abstracts of accounts, &c.

and at such times as the said Government of Madras may appoint true and correct abstracts of all or any of such accounts and returns and will at all reasonable times allow such officers or persons as the said 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. *To keep plans of working.*—The lessee if so required by the Collector will 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 of the said mines and workings which 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 calendar months and the lessee will at his own cost furnish to the lessor true and correct copies of such plans and sections when thereunto required.

10. *To provide weighing machine.*—The lessee will 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 or at or near the workings or each of the works where such produce shall be gotten a good and properly constructed weighing machine and will weigh or cause to be weighed therein all mica brought to bank from or out of the mines hereby demised or which may be sunk or made by the lessee or which mica may be otherwise gotten by the lessee respectively under the licenses and liberties in that behalf hereinbefore contained and will at the end of each day cause the total weights of the mica gotten during the previous twenty-four hours and weighed as aforesaid to be entered in the aforesaid book or books of account. The lessee will also weigh or cause to be weighed in the said machine or machines all mica sold at or exported from the said mines and will cause true and correct entries to be made daily in the aforesaid books of account of all mica so sold or exported 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 getting and weighing of the said mica and the removal thereof from the mines or works for sale or for export and to keep accounts thereof and to check the accounts kept by the lessee.

11. *The lessor may test weighing machine.*—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 therewith 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 weight 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 weight 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 certain rent and royalty shall be paid and accounted for accordingly.

12. *Not to assign or under-let without license.*—The lessee will not assign or under-let 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 Government of Madras 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. *To keep a Manager or Agent.*—The lessee will 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 the said premises

the lessor shall be at liberty to treat any other person there as such agent and to serve all notices and 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 such notices or documents upon some conspicuous portion of the said premises in the occupation of the lessee.

14. *To pay compensation for injury to third parties.*—The lessee will make and pay reasonable satisfaction and compensation for all injury which may be done by him his agents or servants in exercise of the liberties and powers hereby granted to the property and rights of third parties and will 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. *To deliver up mines, &c., in good order.*—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. *For quiet enjoyment.*—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. *Liberty to lessee after expiry of lease to enter and remove machinery, &c.*—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 his 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. *Power of distress.*—If the rents or royalty hereby reserved or any or either of them or any part thereof respectively shall be behind or unpaid for the space of twenty-eight 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 seize 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 or may sell all or any of such engines plant live and dead stock and things either by public auction or private contract and with and out of the proceeds of such sale after deducting thereout all expenses connected therewith or occasioned by such non-payment may retain and keep all such rent and royalty as shall be behind or unpaid.

2. *Power of re-entry.*—If the rents or royalty hereby reserved or any 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 this lease and on his part to be observed and performed or any of them then and in any 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 and premises 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. *Proviso for lessor to purchase.*—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.

4. *Right of lessee to determine lease of mines destroyed by act of God.*—If at any time during the continuance of this demise the said mines and works 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 shall 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.

5. *Differences to be determined by the Government of Madras.*—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 mica or 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 Government of Madras whose decision shall be final.

APPENDIX

Showing the scale of values to be adopted for the purpose of calculating royalty leviable upon every pound of mica removed from the mines.

Class.			Coloured mica.			White mica.		
			RS.	A.	P.	RS.	A.	P.
I.	4 square inches and under	...	0	2	0	0	3	0
II.	Above 4 square inches and not more than	8	0	4	0	0	6	0
III.	"	16	32	1	8	0	3	0
IV.	"	32	48	3	0	0	5	0
V.	"	48	64	4	8	0	7	0
VI.	"	64	80	6	0	0	9	0
VII.	"	80	96	7	8	0	11	0
VIII.	"	96	112	9	0	0	13	0
IX.	"							

And so on in proportion, the size of the plates being calculated according to the greatest rectangular area the slabs will yield.

In witness whereof

Secretary to the Government of Madras in the Department by order and direction of His Excellency the Governor-General of India in Council acting for and on behalf of the lessor and the lessee have hereunto written a duplicate hereof set their respective hands and seals the day and year first above written.

Signed sealed and delivered by the abovenamed
in the presence of

Signed sealed and delivered by the abovenamed
in the presence of

Exd. A. F. Eccleston.

Revenue Department

B. P. No. 129 of 27.5.1898
(C. No 5157)

In order to

The Board of Revenue submits for the information of Govt. forms of prospecting license and mining lease relating to mica drawn up by the Govt. Solicitor on the model of the Govt. of India forms in G.O. No. 4970 of 21.9.1897 - please see also pp 22 et seq. of the pamphlet containing the revised rules for prospecting and mining in the Madras Presidency.

2. The forms have been compared with the standard forms and the modifications made are in accordance with the rules contained in G.O. No. 2743 of 31.5.97. The modifications made by the Board of Revenue are unobjectionable. The main alterations in

P. T. O.

2
 provisions are as follows. -
 (i). The alteration made in
para 8 of the prospecting licence
and para 9 Part VII of the
schedule to the form of mining
lease :: In the former discretion
 given to the Collector to
 insist on 7 days notice being
 given of measuring and weighing
 and in the latter a similar
 discretion is allowed to the
 collector in the matter of requiring
 plans of workings to be maintained
 by the licensee.

Submitted that these modi-
 fications are undjectionable.

(ii). The tabular form
of Schedule A to the prospecting
licence prescribed by the Board.

The form appears to give
 all the information required
 and is an improvement
 on the corresponding schedule
 appended to the Standard form.

(iii) The omission of the
clause of renewal contained
in para 2 Part VIII of Schedule
form of mining lease.

This

* p. 13 of
 pamphlet

In para 2 Part VI of p. 9
 of the B.P. - see words
 underlined in 3rd line
 from bottom of page

* p. 6 of B.P.

* p. 34 pamphlet

only insert the words
 "and" before the
 word "in the same para."
 mica may be "exported"
 from mine without being
 sold. H.A.

is the Board should have power
 to rise the scale, wh. of
 they will do with
 to market values, H.A.
 - This will be under-
 at any rate I do not

This omission is in
 with the rules - please see
 rule 38[22] which recites
 that "no covenant for renewal
 may be inserted in the lease
 without the sanction of the
 Governor General in Council."
 (iv). Reservation of power
to the Board to alter the scale
of values to be adopted for
the purpose of calculating
royalty payable on mica
in Schedule B to the form
of prospecting licence and
para 2, Part VI of the schedule
to the form of mining lease.

Attention is directed
 to para 2 of G.O. No. 618 of
 13.11.96. in which the Govt.
 approved the Board's proposal
 to frame estimates from time
 to time of the value of mica
 according to the size of the sl.
 in which it is removed.
 Board is therefore correct in
 reserving power to revise
 the rates.

3. The only other
 point

P.T.O.

... for notice are the following: -

Prospecting license

(A). Covenants by Licensee (6).

The standard form recites: - "He will not cut or injure any timber or tree on any unoccupied or unreserved land he". The word 'timber or' have been omitted in the form submitted by the Board and the same omission is noticed in para 3 Part III of the form of mining lease. The omission has evidently been intentional and it is submitted that the Board is right.

Mining lease

(1). Para 3rd Part II of the Schedule: - The following addition has been made by the Board: - "No mining operations shall be commenced or carried on within a distance of 70 yards of any irrigation course or channel without the consent in writing of the Collector &c". This is in accordance with Rule

see that other be used. S.P.

p. 14 of pamphlet

para 6 p. 14 of the B.P.

p. 8 of the B.P.

The Bd. does not explain S.P. but it does not seem unfair to say this is doubtful.

At the same time it is better to stick to standard form & keep "timber or". There may govt timber lying on unreserved lands S.P. 2/10/97

MA

X

first alteration in covenants by the S. of S. 5 makes nonsense now reads "at the sweet & cost of the licensee in writing." MA

me it is apparently used to substitute "govt" for "Govt of no." The latter term be used throughout

MA 25.10.98

23 of the rules in S.O. No 27 of 31.5.1897 which runs as follows: -

"In ordinary cases no mining operations will be permitted within a minimum distance of 70 yards of any irrigation source or channel. In the case of jungle streams, however, each case will be decided on its own merits. In any case 25 yards is however an irreducible minimum and that only on condition that no stone or earth is thrown into the course of the streams."

4. I submitted that there are no points calling for remarks from Govt and the current may be merely 'Recorded'. It is only submitted for the information of Govt. Please see a draft order submitted on the back of the current

W.P. 4.10.98.

Say

MA 1st 11/98

MA Please see marginal no. 4.10.98

P.P.O

Under Secy

With reference to
H. his remarks on page
supra it is respectfully
submitted that it was not
opened to make any alterations
in the Board's Draft. The
forms were compared with
the model forms and the
alterations made by the Board
the model forms is as
sent them to the Mining
Commission in the current.
It is therefore submitted that no
more need be made
~~alterations to the H. his~~
remarks in the Draft G.O.
submitted below for approval
by the back of the current.

Secy

Me
8/10/96

One day

8/10/96

Government (1899) of Madras. REVENUE.

Recd.

Reg

1899.

Enclosures

Spare copies

G.O., No. 375, 15th June 1899.

JUNE.

Revised Mining Rules.

Communicating with instructions to the Board of Revenue the revised rules issued by the Government of India for the grant of exploring and prospecting licenses and mining leases.

or lease may be frustrated by obstruction or unreasonable demands on the part of the occupier or surface owner and to meet such cases some modification of the law may be required. I am to enquire whether the law of your province affords sufficient facilities in this respect. In replying to this enquiry, I am to request that a reference may be given to the law or rule under which action would be taken by the Local Government if the contingency indicated were to arise.

10. The rules apply only to British India.

READ—the following extract from the Proceedings of the Government of India, in the Department of Revenue and Agriculture (Geology and Minerals), dated Simla, the 20th May 1899, No. 13—17-2:—

Read—the undermentioned papers—

Department of Revenue and Agriculture Resolution No. 15—27-4, dated the 12th December 1894.

Department of Revenue and Agriculture Circular to Local Governments and Administrations, No. 16—27-5, dated the 13th December 1894.

Department of Revenue and Agriculture Circular to Local Governments and Administrations, No. 17—27-6, dated the 13th December 1894.

Despatch to Her Majesty's Secretary of State for India, No. 74, dated the 21st October 1897.

Despatch from Her Majesty's Secretary of State for India, No. 16 (Revenue), dated the 19th January 1899.

RESOLUTION.

The Governor-General in Council is pleased to prescribe the following revised rules for regulating the grant by Local Governments of licenses to explore and prospect for minerals and the grant of mining leases in British India.

RULES FOR THE GRANT OF LICENSES BY LOCAL GOVERNMENTS TO EXPLORE AND PROSPECT FOR MINERALS, AND OF MINING LEASES IN BRITISH INDIA.

The following rules regulating the grant by Local Governments of licenses to explore and prospect for minerals and the grant of leases of mines and minerals have been made by the Governor-General in Council, and sanctioned by the Secretary of State for India in Council.

No such license or lease can be granted by any Local Government otherwise than in accordance with these rules, except with the previous sanction of the Secretary of State for India in Council, or with that of the Governor-General in Council under any general or special authority which he may have received in this behalf from the said Secretary of State in Council.

In these rules—

Collector means the Revenue Officer in charge of the district;

Local Government includes a Chief Commissioner; and

Person includes any persons, syndicate, partnership, or Company.

A license or lease under these rules may be granted to any person; in case of the death of the person or any of the persons to whom it is granted it shall inure for the benefit of his legal representatives.

Exploring Licenses.

1. A license to explore land for minerals or mineral oil, called hereinafter an exploring license, will authorise the licensee to search the surface of the land specified in the license for minerals of every description and for mineral oil, and, subject to such restrictions as the Local Government may from time to time impose, to remove any specimens or samples found by the licensee in or upon such land.*

2. Such license shall only be granted with respect to land in which the mines, minerals, or mineral oils are the property of the Government, and (subject to the provisions of any law, or rule having the force of law, for the time being in force with reference to such land) shall not authorise the licensee to enter upon any land in the occupation of any person without the consent of the occupier.

3. Such license cannot be assigned, nor can any right or interest thereunder be transferred without the assent of the Local Government.

4. Such license shall not authorise the licensee to mine or quarry, but he may turn up to such depth as the Collector may sanction, and, subject to such conditions as he may impose, the surface of unoccupied land, or, with the consent of the occupier, that of land which the Government has granted for agricultural purposes, reserving only the right to minerals.

* Note.—The surface of unoccupied and unreserved land which is the property of Government may be freely searched without a license, but the Government does not object to granting a license to explore when one is applied for.

5. Such license may be granted by such person and under such rules as the Local Government may prescribe.

6. Every such license shall run for one year, but may be renewed for a further similar term by the same authority, and there shall be paid for each license or renewal such fee, not exceeding Rs. 10, as the Local Government may prescribe.

7. A royalty shall be payable to Government on the value of all precious stones found and removed by an explorer, whether he has taken out a license or not. In the case of licenses such royalty shall be at such rate, not exceeding 15 per cent., as shall be fixed by the license, and in the case of an unlicensed explorer, shall be 15 per cent. on the value of the stones removed. Neglect to report the discovery of any such stone within a reasonable time shall involve the forfeiture of the license and of all claim to have an application for a mining or prospecting lease favourably considered.

8. Such license shall give no exclusive or preferential rights, but in considering rival claims for a prospecting license or mining lease, due regard will be had to operations conducted under cover of an exploring license.

Prospecting Licenses.

9. (1) A license to prospect for minerals or mineral oil, called hereinafter a prospecting license, shall confer on the licensee the sole right, subject to the conditions contained in the license, to mine, quarry, bore, dig and search for, win, work, and carry away any mineral or mineral oil specified in the license, and lying or being within, under, or throughout the land specified in the license.

(2) A prospecting license shall only be granted with respect to land in which the mines, minerals, or mineral oils are the property of the Government, and shall apply only to the area described in the license.

10. No prospecting license shall be granted except to a person approved by the Local Government, and such person shall, before the license is granted, deposit as security in respect of each license such sum, not being less than Rs. 100, as the Collector may determine, or give security to the like amount to the satisfaction of the Collector. Subject to such deduction on account of compensation for surface damage or otherwise as the Collector may order, the amount of any deposit made under this rule, should the depositor afterwards become the lessee of any mining lease, will be carried to his credit as part of the rents and royalties payable under his lease, and should he decline or fail to obtain any such lease as aforesaid, will be returned to him.

11. (1) Every application for a prospecting license shall, unless the Local Government shall in any case otherwise direct, be made to the Collector of the district, in which the land or some part of the land with respect to which the license is required is situate.

(2) Every such application shall contain the following particulars, namely:

- the name, residence, and profession of the applicant;
- a description, as accurate as possible, and illustrated by a rough sketch, of the situation, boundaries, and area of the land with respect to which the license is required; and
- a specification of the mineral or minerals for which the applicant desires to prospect.

(3) Every application shall be accompanied by a certificate that the applicant has been approved by the Local Government, under the signature of one of its secretaries.

12. On receipt of any such application, the Collector shall, as soon as practicable, inquire whether the grant of the license applied for is inexpedient either on the ground that the land described in the application is required for a public purpose, or otherwise.

13. (1) Should the Collector be of opinion that it is not expedient to grant the license, or should he find that the licensee has not been approved by the Local Government, he shall refuse to grant the license, and shall forthwith report the matter through the proper channel to the Local Government, which may pass such orders as it may think fit.

(2) Subject to the control of the Local Government, the Collector, if he finds that there is no objection to the grant of the license applied for, and if the applicant has been approved by the Local Government, may grant to the applicant a license in such form as may be prescribed, and shall report the matter to the Local Government or such other authority as the Local Government may direct.

14. A register of applications for prospecting licenses shall be kept in English in the Collector's office, specifying—

- Name of applicant.
- Date.
- Residence of applicant.
- Situation of the land.
- Boundaries.
- Estimated area.
- Date of certificate of approval of applicant by the Local Government.
- Date of license.
- Rent and royalty payable.
- Period for which granted.

15. Every prospecting license shall contain such conditions as may in any particular case seem necessary, and shall in all cases contain the following conditions:—

- The term for which the license shall be granted shall be one year or such shorter term as the applicant may desire. The license may be renewed by the Collector for a further term not exceeding two years, whenever he is satisfied that the licensee has been prevented from completing his search of the land by any cause other than his own default.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

READ—the following letter from the Hon'ble Mr. M. FINUCANE, C.S.I., I.C.S.,
 Officiating Secretary to the Government of India (Department of Revenue and
 Agriculture—Geology and Minerals), to the Secretary to the Government
 of Madras, Revenue Department, dated Simla, the 20th May 1899, Circular
 No. 19—17-3:—

With reference to Circular No. 16, dated 13th December 1894, and subsequent
 correspondence with regard to the mining rules in force in British India, I am directed
 to forward, for information and guidance, the accompanying Resolution of the Govern-
 ment of India promulgating revised rules for the grant of exploring and prospecting
 licenses and mining leases, as approved by Her Majesty's Secretary of State for India,
 and to communicate the following remarks in connection therewith.

2. The revised rules are based on the principle that the Government, while
 desiring to facilitate the development of India's resources for the public benefit, does
 not undertake the duty of protecting the private interests of those who embark their
 money in Indian private enterprises. The rules also devolve on the Local Governments
 much of the duty which, under the rules of 1894, rested upon the Government of
 India. The rates of royalty have also been revised, and in the case of gold and silver
 and precious stones the royalty is placed on the net profits of the year.

3. With regard to *prospecting* licenses, it will be noticed that such licenses may
 now be granted to Syndicates and Companies as well as to single persons. Also, that
 the area with respect to which a prospecting license may be granted is not limited by
 the rules to blocks of specified dimensions, but will be determined in each case by the
 Collector subject to the control of the Local Government. Also, that with the consent
 of the Local Government the licensee may transfer or assign to another person,
 Syndicate, or Company, his rights and interests under the prospecting license. The
 old rule is retained that no prospecting license shall be granted except to a person
 (the term "person" includes a Syndicate and a Company) approved by the Local
 Government. In granting a certificate of approval the Local Government should
 satisfy itself that the person intends to carry out *bond fide* prospecting work, and has
 sufficient means at his disposal.

4. A prospecting license should be restricted to such area as is reasonably required
 for *bond fide* prospecting purposes. In determining this area, regard must be had to
 the character of the minerals prospected for and the means at the disposal of the pros-
 pector. Under the old rules a prospecting license was limited to one or more blocks,
 each of a prescribed area and separated from each other by prescribed spaces. These
 prescriptions have now been abandoned, as they hampered the work of prospecting by
 preventing the prospector from following up promising indications, and enabled others
 to reap the fruits of his enterprise. But as a prospecting license confers exclusive
 rights for a term which may be extended to three years, the area over which such a
 license should be granted is a matter of some consequence. The Collector's powers in
 this respect are made subject to the control of the Local Government, and the Local
 Government might suitably direct that, in cases in which a prospecting license is
 applied for over a large area, a previous reference to higher authority should be made
 by the Collector.

5. In the exercise of the power of granting or withholding sanction to an assign-
 ment or transfer of a prospecting license, the Local Government will, as a general
 rule, be justified in withholding sanction if no prospecting work has been done by the
 licensee, and there is reason to believe that he obtained the license solely with a view to
 immediately selling it out and out at a profit. On the other hand, sanction may with-
 propriety be given if the licensee requires further resources, or proposes to associate other
 persons, by way of a partnership, Syndicate, or Joint Stock Company, with himself in
 the undertaking, if the assignment or transfer appears to be a *bond fide* arrangement
 and if the transferee is a person or Company whom the Government would be willing to
 approve as a prospector. Hitherto, the practice has been to unfavourably regard or
 absolutely prohibit transfers of prospecting licenses, on the ground that ordinarily there
 was nothing assured to transfer, that the transfer was proposed with the sole object of
 making money out of the public, and that, if the licensee was unable to work his
 concession, his proper course was to resign it. Under the new rules, the attitude of
 the Government will be less strict, but as its sanction to a transfer or assignment is
 still required by the rules, it must satisfy itself on certain points, as above indicated.

6. With regard to the right to a mining lease secured to the licensee on or before
 the determination of his prospecting license, the right, it will be observed, is limited
 to a mining lease of one block of land, which shall not exceed the area specified in
 schedule A. The Local Government is empowered to grant to an applicant more than
 one block of land, if it considers this expedient. But the right of a prospector in
 respect of a mining lease is limited to one block. The granting of more than one
 block to him is entirely in the discretion of the Local Government. The number of
 blocks which may properly be granted under any one lease is a matter of importance,
 and will vary with the character of the mineral, the resources at the command of the
 applicant, the area of mineralised land in the locality at the disposal of the Govern-
 ment and the possibility of other capitalists being likely to engage in the same industry.
 It would ordinarily be unwise, for instance, to give a single applicant, a mining lease
 of ten square miles of gold bearing reefs or of an oil tract.

7. The previous assent of the Local Government to the transfer or assignment of
 a mining lease is required by the rules, and, before granting sanction the Local
 Government should satisfy itself that the proposed transfer is a *bond fide* transaction,
 that the transferee is a person or Company of substance, and can be relied on to fulfil,
 in relation to the Government, the conditions and stipulations of the lease. It is not,
 however, intended that the Government should undertake responsibility towards the
 public for the accuracy of any prospectus which the transferees may intend to issue,
 or should closely examine the details of the proposed transfer or of the arrangements
 contemplated after it has taken effect. If in any particular case the Local Govern-
 ment feels a difficulty as to how its discretion should be exercised, a reference should
 be made to the Government of India.

8. A report of every concession made by a Local Government under these rules
 should be made to the Government of India, and a copy of every mining lease
 returned to them for information. The terms of mining leases should invariably be
 settled by the law officers of the Local Government, who should be required to see
 that they provide for all the obligatory conditions and stipulations of the mining rules.

9. It will be observed that under rule 4 and rule 15 (IV) holders of exploring
 and prospecting licenses are prohibited from entering upon and turning up the surface
 of occupied land without the consent of the occupier while under rule 22 (v) the
 holder of a mining lease is bound to make reasonable compensation for all injury that
 may be done by him in exercise of the powers granted by the lease.

The property of the State in underlying minerals and its right to extract them
 has been declared in various enactments, but the point is deserving of examination
 whether in the cases referred to, where the Government does not itself extract
 minerals but grants the right to do so to another party it is sufficiently empowered by
 existing law or rule to afford reasonable facilities to licensees and lease-holders to
 enter on occupied land to break up the surface where necessary and to have the
 amount of compensation that may be paid assessed by public authority. If such
 facilities cannot be afforded under the law it is possible that the objects of the license

- (ii) A moderate rent not exceeding one rupee per acre shall be paid for the land covered by the licensee.
- (iii) The licensee shall pay a royalty at a rate not exceeding 15 per cent. of the value on all precious stones won and carried away, and a royalty at the rates specified in Schedule C on all other minerals won and carried away over and above such quantity as the Collector, subject to the orders of the Local Government, may allow to be taken free for purposes of experiment.
- (iv) No land in the occupation of any person shall be entered upon without the consent of the occupier, and no trees, standing crops, or other private property shall be cut or in any way injured without the consent of the owner thereof.
- (v) The licensee shall make and pay reasonable satisfaction and compensation for all injury which may be done by him in exercise of the powers granted by the license, and indemnify the Government against all claims which may be made by third parties in respect of any such damage or injury.
- (vi) The licensee shall not cut or injure any tree on unoccupied and unreserved land without the permission of the Collector in writing.
- (vii) Such license cannot be assigned nor can any right or interest thereunder be transferred without the consent of the Local Government.
- (viii) In case of any breach on the part of the licensee of any of the five last preceding the Collector may summarily revoke the license, and thereupon all rights conferred thereby or enjoyed thereunder shall cease.
- (ix) The licensee shall, within six months next after the determination of the license or the date of the abandonment of the undertaking, whichever shall first occur, securely plug any bores and fill up or fence any holes or excavations that he may have made in the land to such extent as the Collector may require, and shall to the like extent restore the surface of the land and all buildings thereon which he may have damaged in the course of prospecting: Provided that this clause shall not apply to any land held under a mining lease.
- (x) Should any question of dispute arise regarding the license, or any matter or thing connected therewith, or the powers of the licensee thereunder or the amount or payment of the rent or royalty made payable thereby, the matter in difference shall be decided by the Local Government, whose decision shall be final.

16. On or before the determination of his license the licensee shall have a right, subject to the rules hereinafter contained—

- (a) in the case of mineral oil or minerals other than precious stones, to a mining lease in accordance with the terms contained in rules for mining leases;
- (b) in the case of precious stones, to the first offer of such mining lease as the Governor-General in Council may think fit to grant.

Such lease may include so much land, whether comprising the whole or a part only of the area for which the prospecting license was granted, as shall not exceed the area specified with respect to mining leases in schedule A annexed to these rules.

Mining Leases.

17. (1) Every application for the grant of a mining lease, not being a lease of a mine of precious stones, shall be presented to the Collector in whose district the land or some part of the land with respect to which the lease is applied for is situate. The Collector shall forward the application through the proper channel to the Local Government. The Local Government may by general or special order require a deposit of money not exceeding Rs. 500 to be made by the applicant in any case or class of cases before the application is taken into consideration.

(2) No mining lease shall be granted otherwise than with respect to land in which the mines, minerals, or mineral oils are the property of Government.

18. Every application for a mining lease shall contain—

- (a) the name, residence, and profession of the applicant;
- (b) the name of the mineral for which the applicant intends to mine;
- (c) a map of the area over which the proposed lease is to extend.

19. On receipt of any such application the Local Government may, if the applicant is entitled to a lease under Rule 16, or if it considers that the applicant should be granted a mining lease, grant the same in accordance with these rules over such one or more blocks, each not exceeding in extent the area specified in Schedule A annexed to these rules, as the Local Government may think fit:

Provided that no mining lease shall be granted by a Local Government under these rules so as to cause the total area held under mining leases by the lessee, or by those joint in interest with him, to exceed ten square miles.

No such lease shall be executed until it has been approved by the Advocate-General or other legal adviser, if any, appointed for the Province.

20. Without the previous sanction of the Governor-General in Council, the length of a block shall not be allowed to exceed four times its breadth.

21. The term for which a mining lease may be granted shall not exceed thirty years, and no covenant for renewal may be inserted in the lease without the sanction of the Governor-General in Council.

22. Every such lease shall contain such conditions and stipulations as the Local Government may in each case consider necessary; but shall in every case contain the following conditions, namely:

- (i) the lessee shall pay a royalty at the rate specified in the lease, which rate shall be that fixed for the particular mineral in Schedule C; and if any other mineral shall be discovered by him, then the royalty shall be paid therefor at such rate, not being less than 20 per cent. of the value thereof, as the Local Government may determine, until a mining lease has been obtained in respect of such mineral; but the lessee shall be entitled to require and obtain such lease for the term then unexpired of his original lease upon the terms hereinbefore mentioned in Rule 16;
- (ii) the lessee shall also pay for every year after the first year a fixed yearly dead rent at a rate not less than that laid down in Schedule B: provided that no lessee shall pay both royalty and dead rent in respect of the same lease, but only such one of them as may be of the greater amount;
- (iii) the lessee shall also pay for all land which he may take up, use or occupy for the purpose of the mine a surface rent at the rate specified in Schedule B;
- (iv) the lessee shall at his own expense erect and at all times maintain and keep in repair boundary marks and pillars according to the demarcation to be shown in a plan annexed to his lease;
- (v) the lessee shall make and pay reasonable satisfaction and compensation for all injury which may be done by him in exercise of the powers granted by the lease, and shall indemnify the Government against all claims which may be made by third parties in respect of any such injury;
- (vi) the lessee shall not cut or injure any tree reserved in the lease;
- (vii) neither the lessee nor any person claiming through or under him shall assign the lease, or transfer any right or interest thereunder, or underlet the whole or any portion of the premises comprised in such lease, without the assent of the Local Government first had and obtained;
- (viii) the lessee shall commence operations within two years from the date of the execution of the lease, and shall thereafter carry them on effectually in a proper, skilful, and mining-like manner unless prevented by unavoidable cause;
- (ix) the lessee shall keep correct accounts showing the quantity and particulars of all minerals obtained from the mine and the number of persons employed therein, and also complete plans of the mine, and shall allow any officer authorised by the Local Government in that behalf at any time to examine such accounts and plans, and shall furnish the Local Government with such information and returns in respect of the aforesaid matter as it may prescribe;*
- (x) the lessee shall allow any officer authorised by the Local Government in that behalf to enter upon the premises comprised in the lease for the purpose of inspecting the same;
- (xi) the lessee shall without delay send to the Collector a report of any accident which may occur at or in the said premises, and also the finding therein of any mineral not specified in the lease;
- (xii) should the royalty or rent reserved or made payable by the lease be not paid within two months next after the date fixed in the lease for the payment of the same, the Local Government may enter upon the said premises and detain all or any of the minerals or moveable property therein, and may carry away or detain them until the rent or royalty due and all costs and expenses occasioned by the non-payment thereof shall be fully paid; and, if any royalty or rent remain at any time unpaid for six calendar months after the date on which it is due, the Local Government may determine the lease and take possession of the premises comprised therein;
- (xiii) in case of any breach on the part of the lessee of any covenant or condition contained in the lease, the Local Government may determine the lease and take possession of the said premises;
- (xiv) at the end or sooner determination of the lease, the lessee shall deliver up the said premises and all mines (if any) dug therein in a proper and workmanlike state, save in respect of any working as to which the Local Government may have sanctioned abandonment;
- (xv) should any question or dispute arise regarding the lease or any matter or thing connected with the mines and minerals leased, or the working or non-working thereof, or the amount or payment of the royalty or rent reserved or made payable by the lease, the matter in difference shall be decided by the Local Government, whose decision thereon shall be final.

23. No lease of a mine of precious stones shall be granted except by the Governor-General in Council. The procedure for obtaining and the conditions of such lease shall be those prescribed by Rules 17 to 22, read as if the Governor-General in Council were substituted for the Local Government.

General Provisions as to Licenses and Leases.

24. (1) All operations conducted under the authority of these rules within a reserved forest shall be subject to such conditions as the Local Government may by general or special order from time to time prescribe.

(2) It shall be a condition of every license granted under these rules that, before the commencement of exploration or prospecting (as the case may be) within a reserved forest, notice shall be given to the District Forest Officer of the intention to commence operations, and that the operation shall be conducted subject to any conditions regarding the use of fire that he may prescribe.

* Note.—All information and returns obtained or furnished under this clause shall be treated as strictly confidential.

(3) Every mining lease which includes any portion of a reserved forest shall, if it authorises the lessee to fell timber for mining purposes, specify the area within which, or the quantity up to which, and the terms and conditions upon which, he may exercise that authority.

25. Should the applicant for a prospecting license or mining lease desire the Collector to prepare for him the sketch required by Rule 11 (2) (b) or the map required by Rule 18 (c), or should the sketch or map presented by the applicant be insufficient, the Collector may prepare the sketch or map required, and may, if he so order, recover the cost from the applicant at a rate not exceeding 4 annas per acre. If the Local Government has prepared a map of a tract of country specially for the convenience of intending applicants for licenses and leases under these rules, and if any applicant makes use of such map for the sketch or map aforesaid, it will be open to the Local Government to recover as above such share of the cost of preparing the map as it may consider to be equitably due from such applicant.

26. If a license or lease is not executed within six months after leave has been granted for it, the right of the applicant to such license or lease shall be held to have lapsed, unless the Local Government for special reasons consents to grant the same notwithstanding the delay.

SCHEDULE A.

(Vide No. 19 of Rules.)

Maximum area in square miles for mining-lease—

Coal	2
Oil	1
Gold or silver	1
Metals	1
Precious stones	1

* Will be decided by the Government of India in each case on its merits.

SCHEDULE B.

(Vide Nos. 15 (ii), 22 (ii), and 22 (iii) of Rules.)

Rent charged for—	Prospecting.	Mining.	
		Surface rent per acre.	Dead rent per acre (minimum).
Coal	A moderate rent not exceeding one rupee per acre.	The rent rate assessable under the revenue or rent law of the Province; or, if no such rent is so assessable, the rate which may be fixed by agreement, subject to a maximum of one rupee.	4 annas.
Oil			1 rupee.
Gold or silver			1 rupee.
Iron			1 anna.
Other metals			1 rupee.

SCHEDULE C.

(Vide Nos. 15 (iii) and 22 (i) of Rules.)

Royalty—

Prospecting and Mining

Coal, exclusive of dust and coal used on the works.	1 anna per ton.
Oil	8 annas per 40 gallons or 5 per cent. <i>ad valorem</i> on gross value.
Gold or silver	7½ per cent. on the net profits of each year taken separately.
Iron	1 anna per ton of ironstone.
Copper, tin, lead, or other metals	2½ per cent. on the sale value at the pit's mouth or on the surface, of the dressed ore or metal, convertible at the option of the lessee to an equivalent charge per ton to be fixed annually or for a term.
Precious stones	30 per cent. on the net profits of each year taken separately.

Order.—Ordered that a copy of this Resolution be forwarded to all Local Governments and Administrations for information and guidance, and that a copy be forwarded to all departments of the Government of India, to the Director, Geological Survey of India, and to the Inspector-General of Forests, for information.

Ordered, also, that the Resolution be published in the supplement to the *Gazette of India* for general information.

To the Secretary to the Government of Madras.

ORDER—No. 375, Revenue, dated 15th June 1899.

Miscellaneous.

Communicated to the Board of Revenue for information and guidance. The Board should revise its Standing Order No. 15 (new edition) and the rules for the mining of mica in the Nellore district with reference to the new rules now issued by the Government of India, and submit the revised drafts for the approval of the Government.

2. The Board is requested to report fully its views on the question referred to by the Government of India in paragraph 9 of its circular letter read above.

(True Extract.)

(Signed)

N. E. MARJORIBANKS,
Ag. Secretary to Government.

To the Board of Revenue (Land Revenue).
Copy to the Board of Revenue (Revenue Settlement,
Land Records and Agriculture).

Exd. Shaik Karim.

65 Copies.

Government 1899 of Madras.
REVENUE.

Recd.

Regd.

} 1899.

Enclosures

Spare copies

G.O., No. 375, 15th June 1899.

JUNE.

Revised Mining Rules.

Communicating with instructions to the Board of Revenue the revised rules issued by the Government of India for the grant of exploring and prospecting licenses and mining leases.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

READ—the following letter from the Hon'ble Mr. M. FINUCANE, C.S.I., I.C.S., Officiating Secretary to the Government of India (Department of Revenue and Agriculture—Geology and Minerals), to the Secretary to the Government of Madras, Revenue Department, dated Simla, the 20th May 1899, Circular No. 19—17-3 :—

With reference to Circular No. 16, dated 13th December 1894, and subsequent correspondence with regard to the mining rules in force in British India, I am directed to forward, for information and guidance, the accompanying Resolution of the Government of India promulgating revised rules for the grant of exploring and prospecting licenses and mining leases, as approved by Her Majesty's Secretary of State for India, and to communicate the following remarks in connection therewith.

2. The revised rules are based on the principle that the Government, while desiring to facilitate the development of India's resources for the public benefit, does not undertake the duty of protecting the private interests of those who embark their money in Indian private enterprises. The rules also devolve on the Local Governments much of the duty which, under the rules of 1894, rested upon the Government of India. The rates of royalty have also been revised, and in the case of gold and silver and precious stones the royalty is placed on the net profits of the year.

3. With regard to *prospecting* licenses, it will be noticed that such licenses may now be granted to Syndicates and Companies as well as to single persons. Also, that the area with respect to which a prospecting license may be granted is not limited by the rules to blocks of specified dimensions, but will be determined in each case by the Collector subject to the control of the Local Government. Also, that with the consent of the Local Government the licensee may transfer or assign to another person, Syndicate, or Company, his rights and interests under the prospecting license. The old rule is retained that no prospecting license shall be granted except to a person (the term "person" includes a Syndicate and a Company) approved by the Local Government. In granting a certificate of approval the Local Government should satisfy itself that the person intends to carry out *bonâ fide* prospecting work, and has sufficient means at his disposal.

4. A prospecting license should be restricted to such area as is reasonably required for *bonâ fide* prospecting purposes. In determining this area, regard must be had to the character of the minerals prospected for and the means at the disposal of the prospector. Under the old rules a prospecting license was limited to one or more blocks, each of a prescribed area and separated from each other by prescribed spaces. These prescriptions have now been abandoned, as they hampered the work of prospecting by preventing the prospector from following up promising indications, and enabled others to reap the fruits of his enterprise. But as a prospecting license confers exclusive rights for a term which may be extended to three years, the area over which such a license should be granted is a matter of some consequence. The Collector's powers in this respect are made subject to the control of the Local Government, and the Local Government might suitably direct that, in cases in which a prospecting license is applied for over a large area, a previous reference to higher authority should be made by the Collector.

5. In the exercise of the power of granting or withholding sanction to an assignment or transfer of a prospecting license, the Local Government will, as a general rule, be justified in withholding sanction if no prospecting work has been done by the licensee, and there is reason to believe that he obtained the license solely with a view to immediately selling it out and out at a profit. On the other hand, sanction may with propriety be given if the licensee requires further resources, or proposes to associate other persons, by way of a partnership, Syndicate, or Joint Stock Company, with himself in the undertaking, if the assignment or transfer appears to be a *bonâ fide* arrangement and if the transferee is a person or Company whom the Government would be willing to approve as a prospector. Hitherto, the practice has been to unfavourably regard or absolutely prohibit transfers of prospecting licenses, on the ground that ordinarily there was nothing assured to transfer, that the transfer was proposed with the sole object of making money out of the public, and that, if the licensee was unable to work his concession, his proper course was to resign it. Under the new rules, the attitude of the Government will be less strict, but as its sanction to a transfer or assignment is still required by the rules, it must satisfy itself on certain points, as above indicated.

6. With regard to the right to a mining lease secured to the licensee on or before the determination of his prospecting license, the right, it will be observed, is limited to a mining lease of one block of land, which shall not exceed the area specified in schedule A. The Local Government is empowered to grant to an applicant more than one block of land, if it considers this expedient. But the right of a prospector in respect of a mining lease is limited to one block. The granting of more than one block to him is entirely in the discretion of the Local Government. The number of blocks which may properly be granted under any one lease is a matter of importance, and will vary with the character of the mineral, the resources at the command of the applicant, the area of mineralised land in the locality at the disposal of the Government and the possibility of other capitalists being likely to engage in the same industry. It would ordinarily be unwise, for instance, to give a single applicant, a mining lease of ten square miles of gold bearing reefs or of an oil tract.

7. The previous assent of the Local Government to the transfer or assignment of a mining lease is required by the rules, and, before granting sanction the Local Government should satisfy itself that the proposed transfer is a *bonâ fide* transaction, that the transferee is a person or Company of substance, and can be relied on to fulfil, in relation to the Government, the conditions and stipulations of the lease. It is not, however, intended that the Government should undertake responsibility towards the public for the accuracy of any prospectus which the transferees may intend to issue, or should closely examine the details of the proposed transfer or of the arrangements contemplated after it has taken effect. If in any particular case the Local Government feels a difficulty as to how its discretion should be exercised, a reference should be made to the Government of India.

8. A report of every concession made by a Local Government under these rules should be made to the Government of India, and a copy of every mining lease returned to them for information. The terms of mining leases should invariably be settled by the law officers of the Local Government, who should be required to see that they provide for all the obligatory conditions and stipulations of the mining rules.

9. It will be observed that under rule 4 and rule 15 (IV) holders of exploring and prospecting licenses are prohibited from entering upon and turning up the surface of occupied land without the consent of the occupier while under rule 22 (v) the holder of a mining lease is bound to make reasonable compensation for all injury that may be done by him in exercise of the powers granted by the lease.

The property of the State in underlying minerals and its right to extract them has been declared in various enactments, but the point is deserving of examination whether in the cases referred to, where the Government does not itself extract minerals but grants the right to do so to another party it is sufficiently empowered by existing law or rule to afford reasonable facilities to licensees and lease-holders to enter on occupied land to break up the surface where necessary and to have the amount of compensation that may be paid assessed by public authority. If such facilities cannot be afforded under the law it is possible that the objects of the license

or lease may be frustrated by obstruction or unreasonable demands on the part of the occupier or surface owner and to meet such cases some modification of the law may be required. I am to enquire whether the law of your province affords sufficient facilities in this respect. In replying to this enquiry, I am to request that a reference may be given to the law or rule under which action would be taken by the Local Government if the contingency indicated were to arise.

10. The rules apply only to British India.

READ—the following extract from the Proceedings of the Government of India, in the Department of Revenue and Agriculture (Geology and Minerals), dated Simla, the 20th May 1899, No. 18—17-2:—

Read—the undermentioned papers—

Department of Revenue and Agriculture Resolution No. 15—27-4, dated the 12th December 1894.

Department of Revenue and Agriculture Circular to Local Governments and Administrations, No. 16—27-5, dated the 13th December 1894.

Department of Revenue and Agriculture Circular to Local Governments and Administrations, No. 17—27-6, dated the 13th December 1894.

Despatch to Her Majesty's Secretary of State for India, No. 74, dated the 21st October 1897.

Despatch from Her Majesty's Secretary of State for India, No. 16 (Revenue), dated the 19th January 1899.

RESOLUTION.

The Governor-General in Council is pleased to prescribe the following revised rules for regulating the grant by Local Governments of licenses to explore and prospect for minerals and the grant of mining leases in British India.

RULES FOR THE GRANT OF LICENSES BY LOCAL GOVERNMENTS TO EXPLORE AND PROSPECT FOR MINERALS, AND OF MINING LEASES IN BRITISH INDIA.

The following rules regulating the grant by Local Governments of licenses to explore and prospect for minerals and the grant of leases of mines and minerals have been made by the Governor-General in Council, and sanctioned by the Secretary of State for India in Council.

No such license or lease can be granted by any Local Government otherwise than in accordance with these rules, except with the previous sanction of the Secretary of State for India in Council, or with that of the Governor-General in Council under any general or special authority which he may have received in this behalf from the said Secretary of State in Council.

In these rules—

Collector means the Revenue Officer in charge of the district;
Local Government includes a Chief Commissioner; and
Person includes any persons, syndicate, partnership, or Company.

A license or lease under these rules may be granted to any person; in case of the death of the person or any of the persons to whom it is granted it shall inure for the benefit of his legal representatives.

Exploring Licenses.

1. A license to explore land for minerals or mineral oil, called hereinafter an exploring license, will authorise the licensee to search the surface of the land specified in the license for minerals of every description and for mineral oil, and, subject to such restrictions as the Local Government may from time to time impose, to remove any specimens or samples found by the licensee in or upon such land.*

2. Such license shall only be granted with respect to land in which the mines, minerals, or mineral oils are the property of the Government, and (subject to the provisions of any law, or rule having the force of law, for the time being in force with reference to such land) shall not authorise the licensee to enter upon any land in the occupation of any person without the consent of the occupier.

3. Such license cannot be assigned, nor can any right or interest thereunder be transferred without the assent of the Local Government.

4. Such license shall not authorise the licensee to mine or quarry, but he may turn up to such depth as the Collector may sanction, and, subject to such conditions as he may impose, the surface of unoccupied land, or, with the consent of the occupier, that of land which the Government has granted for agricultural purposes, reserving only the right to minerals.

* *Notes.*—The surface of unoccupied and unreserved land which is the property of Government may be freely searched without a license, but the Government does not object to granting a license to explore when one is applied for.

5. Such license may be granted by such person and under such rules as the Local Government may prescribe.

6. Every such license shall run for one year, but may be renewed for a further similar term by the same authority, and there shall be paid for each license or renewal such fee, not exceeding Rs. 10, as the Local Government may prescribe.

7. A royalty shall be payable to Government on the value of all precious stones found and removed by an explorer, whether he has taken out a license or not. In the case of licenses such royalty shall be at such rate, not exceeding 15 per cent., as shall be fixed by the license, and in the case of an unlicensed explorer, shall be 15 per cent. on the value of the stones removed. Neglect to report the discovery of any such stone within a reasonable time shall involve the forfeiture of the license and of all claim to have an application for a mining or prospecting lease favourably considered.

8. Such license shall give no exclusive or preferential rights, but in considering rival claims for a prospecting license or mining lease, due regard will be had to operations conducted under cover of an exploring license.

Prospecting Licenses.

9. (1) A license to prospect for minerals or mineral oil, called hereinafter a prospecting license, shall confer on the licensee the sole right, subject to the conditions contained in the license, to mine, quarry, bore, dig and search for, win, work, and carry away any mineral or mineral oil specified in the license, and lying or being within, under, or throughout the land specified in the license.

(2) A prospecting license shall only be granted with respect to land in which the mines, minerals, or mineral oils are the property of the Government, and shall apply only to the area described in the license.

10. No prospecting license shall be granted except to a person approved by the Local Government, and such person shall, before the license is granted, deposit as security in respect of each license such sum, not being less than Rs. 100, as the Collector may determine, or give security to the like amount to the satisfaction of the Collector. Subject to such deduction on account of compensation for surface damage or otherwise as the Collector may order, the amount of any deposit made under this rule should the depositor afterwards become the lessee of any mining lease, will be carried to his credit as the rents and royalties payable under his lease, and should he decline or fail to obtain any such lease as aforesaid, will be returned to him.

11. (1) Every application for a prospecting license shall, unless the Local Government shall in any case otherwise direct, be made to the Collector of the district, in which the land or some part of the land with respect to which the license is required is situate.

(2) Every such application shall contain the following particulars, namely:

- (a) the name, residence, and profession of the applicant;
- (b) a description, as accurate as possible, and illustrated by a rough sketch, of the situation, boundaries, and area of the land with respect to which the license is required; and
- (c) a specification of the mineral or minerals for which the applicant desires to prospect.

(3) Every application shall be accompanied by a certificate that the applicant has been approved by the Local Government, under the signature of one of its secretaries.

12. On receipt of any such application, the Collector shall, as soon as practicable, inquire whether the grant of the license applied for is inexpedient either on the ground that the land described in the application is required for a public purpose, or otherwise.

13. (1) Should the Collector be of opinion that it is not expedient to grant the license, or should he find that the licensee has not been approved by the Local Government, he shall refuse to grant the license, and shall forthwith report the matter through the proper channel to the Local Government, which may pass such orders as it may think fit.

(2) Subject to the control of the Local Government, the Collector, if he finds that there is no objection to the grant of the license applied for, and if the applicant has been approved by the Local Government, may grant to the applicant a license in such form as may be prescribed, and shall report the matter to the Local Government or such other authority as the Local Government may direct.

14. A register of applications for prospecting licenses shall be kept in English in the Collector's office, specifying—

- (1) Name of applicant.
- (2) Date.
- (3) Residence of applicant.
- (4) Situation of the land.
- (5) Boundaries.
- (6) Estimated area.
- (7) Date of certificate of approval of applicant by the Local Government.
- (8) Date of license.
- (9) Rent and royalty payable.
- (10) Period for which granted.

15. Every prospecting license shall contain such conditions as may in any particular case seem necessary, and shall in all cases contain the following conditions:—

- (i) The term for which the license shall be granted shall be one year or such shorter term as the applicant may desire. The license may be renewed by the Collector for a further term not exceeding two years, whenever he is satisfied that the licensee has been prevented from completing his search of the land by any cause other than his own default.

- (ii) A moderate rent not exceeding one rupee per acre shall be paid for the land covered by the license.
- (iii) The licensee shall pay a royalty at a rate not exceeding 15 per cent. of the value on all precious stones won and carried away, and a royalty at the rates specified in Schedule C on all other minerals won and carried away over and above such quantity as the Collector, subject to the orders of the Local Government, may allow to be taken free for purposes of experiment.
- (iv) No land in the occupation of any person shall be entered upon without the consent of the occupier, and no trees, standing crops, or other private property shall be cut or in any way injured without the consent of the owner thereof.
- (v) The licensee shall make and pay reasonable satisfaction and compensation for all injury which may be done by him in exercise of the powers granted by the license, and shall indemnify the Government against all claims which may be made by third parties in respect of any such damage or injury.
- (vi) The licensee shall not cut or injure any tree on unoccupied and unreserved land without the permission of the Collector in writing.
- (vii) Such license cannot be assigned nor can any right or interest thereunder be transferred without the consent of the Local Government.
- (viii) In case of any breach on the part of the licensee of any of the five last preceding clauses, the Collector may summarily revoke the license, and thereupon all rights conferred thereby or enjoyed thereunder shall cease.
- (ix) The licensee shall, within six months next after the determination of the license or the date of the abandonment of the undertaking, whichever shall first occur, securely plug any bores and fill up or fence any holes or excavations that he may have made in the land to such extent as the Collector may require, and shall to the like extent restore the surface of the land and all buildings thereon which he may have damaged in the course of prospecting: Provided that this clause shall not apply to any land held under a mining lease.
- (x) Should any question of dispute arise regarding the license, or any matter or thing connected therewith, or the powers of the licensee thereunder or the amount or payment of the rent or royalty made payable thereby, the matter in difference shall be decided by the Local Government, whose decision shall be final.

16. On or before the determination of his license the licensee shall have a right, subject to the rules hereinafter contained—

- (a) in the case of mineral oil or minerals other than precious stones, to a mining lease in accordance with the terms contained in rules for mining leases;
- (b) in the case of precious stones, to the first offer of such mining lease as the Governor-General in Council may think fit to grant.

Such lease may include so much land, whether comprising the whole or a part only of the area for which the prospecting license was granted, as shall not exceed the area specified with respect to mining leases in schedule A annexed to these rules.

Mining Leases.

17. (1) Every application for the grant of a mining lease, not being a lease of a mine of precious stones, shall be presented to the Collector in whose district the land or some part of the land with respect to which the lease is applied for is situate. The Collector shall forward the application through the proper channel to the Local Government. The Local Government may by general or special order require a deposit of money not exceeding Rs. 500 to be made by the applicant in any case or class of cases before the application is taken into consideration.

(2) No mining lease shall be granted otherwise than with respect to land in which the mines, minerals, or mineral oils are the property of Government.

18. Every application for a mining lease shall contain—

- (a) the name, residence, and profession of the applicant;
- (b) the name of the mineral for which the applicant intends to mine;
- (c) a map of the area over which the proposed lease is to extend.

19. On receipt of any such application the Local Government may, if the applicant is entitled to a lease under Rule 16, or if it considers that the applicant should be granted a mining lease, grant the same in accordance with these rules over such one or more blocks, each not exceeding in extent the area specified in Schedule A annexed to these rules, as the Local Government may think fit:

Provided that no mining lease shall be granted by a Local Government under these rules so as to cause the total area held under mining leases by the lessee, or by those joint in interest with him, to exceed ten square miles.

No such lease shall be executed until it has been approved by the Advocate-General or other legal adviser, if any, appointed for the Province.

20. Without the previous sanction of the Governor-General in Council, the length of a block shall not be allowed to exceed four times its breadth.

21. The term for which a mining lease may be granted shall not exceed thirty years, and no covenant for renewal may be inserted in the lease without the sanction of the Governor-General in Council.

22. Every such lease shall contain such conditions and stipulations as the Local Government may in each case consider necessary; but shall in every case contain the following conditions, namely:

- (i) the lessee shall pay a royalty at the rate specified in the lease, which rate shall be that fixed for the particular mineral in Schedule C; and if any other mineral shall be discovered by him, then the royalty shall be paid therefor at such rate, not being less than 20 per cent. of the value thereof, as the Local Government may determine, until a mining lease has been obtained in respect of such mineral; but the lessee shall be entitled to require and obtain such lease for the term then unexpired of his original lease upon the terms hereinbefore mentioned in Rule 16;
- (ii) the lessee shall also pay for every year after the first year a fixed yearly dead rent at a rate not less than that laid down in Schedule B: provided that no lessee shall pay both royalty and dead rent in respect of the same lease, but only such one of them as may be of the greater amount;
- (iii) the lessee shall also pay for all land which he may take up, use or occupy for the purpose of the mine a surface rent at the rate specified in Schedule B;
- (iv) the lessee shall at his own expense erect and at all times maintain and keep in repair boundary marks and pillars according to the demarcation to be shown in a plan annexed to his lease;
- (v) the lessee shall make and pay reasonable satisfaction and compensation for all injury which may be done by him in exercise of the powers granted by the lease, and shall indemnify the Government against all claims which may be made by third parties in respect of any such injury;
- (vi) the lessee shall not cut or injure any tree reserved in the lease;
- (vii) neither the lessee nor any person claiming through or under him shall assign the lease, or transfer any right or interest thereunder, or underlet the whole or any portion of the premises comprised in such lease, without the assent of the Local Government first had and obtained;
- (viii) the lessee shall commence operations within two years from the date of the execution of the lease, and shall thereafter carry them on effectually in a proper, skilful, and mining-like manner unless prevented by unavoidable cause;
- (ix) the lessee shall keep correct accounts showing the quantity and particulars of all minerals obtained from the mine and the number of persons employed therein, and also complete plans of the mine, and shall allow any officer authorised by the Local Government in that behalf at any time to examine such accounts and plans, and shall furnish the Local Government with such information and returns in respect of the aforesaid matter as it may prescribe;*
- (x) the lessee shall allow any officer authorised by the Local Government in that behalf to enter upon the premises comprised in the lease for the purpose of inspecting the same;
- (xi) the lessee shall without delay send to the Collector a report of any accident which may occur at or in the said premises, and also the finding therein of any mineral not specified in the lease;
- (xii) should the royalty or rent reserved or made payable by the lease be not paid within two months next after the date fixed in the lease for the payment of the same, the Local Government may enter upon the said premises and detain them until the rent or royalty moveable property therein, and may carry away or detain them until the rent or royalty due and all costs and expenses occasioned by the non-payment thereof shall be fully paid; and, if any royalty or rent remain at any time unpaid for six calendar months after the date on which it is due, the Local Government may determine the lease and take possession of the premises comprised therein;
- (xiii) in case of any breach on the part of the lessee of any covenant or condition contained in the lease, the Local Government may determine the lease and take possession of the said premises;
- (xiv) at the end or sooner determination of the lease, the lessee shall deliver up the said premises and all mines (if any) dug therein in a proper and workmanlike state, save in respect of any working as to which the Local Government may have sanctioned abandonment;
- (xv) should any question or dispute arise regarding the lease or any matter or thing connected with the mines and minerals leased, or the working or non-working thereof, or the amount or payment of the royalty or rent reserved or made payable by the lease, the matter in difference shall be decided by the Local Government, whose decision thereon shall be final.

23. No lease of a mine of precious stones shall be granted except by the Governor-General in Council. The procedure for obtaining and the conditions of such lease shall be those prescribed by Rules 17 to 22, read as if the Governor-General in Council were substituted for the Local Government.

General Provisions as to Licenses and Leases.

24. (1) All operations conducted under the authority of these rules within a reserved forest shall be subject to such conditions as the Local Government may by general or special order from time to time prescribe.

(2) It shall be a condition of every license granted under these rules that, before the commencement of exploration or prospecting (as the case may be) within a reserved forest, notice shall be given to the District Forest Officer of the intention to commence operations, and that the operation shall be conducted subject to any conditions regarding the use of fire that he may prescribe.

* Note.—All information and returns obtained or furnished under this clause shall be treated as strictly confidential.

(3) Every mining lease which includes any portion of a reserved forest shall, if it authorises the lessee to fell timber for mining purposes, specify the area within which, or the quantity up to which, and the terms and conditions upon which, he may exercise that authority.

25. Should the applicant for a prospecting license or mining lease desire the Collector to prepare for him the sketch required by Rule 11 (2) (b) or the map required by Rule 18 (c), or should the sketch or map presented by the applicant be insufficient, the Collector may prepare the sketch or map required, and may, if he so order, recover the cost from the applicant at a rate not exceeding 4 annas per acre. If the Local Government has prepared a map of a tract of country specially for the convenience of intending applicants for licenses and leases under these rules, and if any applicant makes use of such map for the sketch or map aforesaid, it will be open to the Local Government to recover as above such share of the cost of preparing the map as it may consider to be equitably due from such applicant.

26. If a license or lease is not executed within six months after leave has been granted for it, the right of the applicant to such license or lease shall be held to have lapsed, unless the Local Government for special reasons consents to grant the same notwithstanding the delay.

SCHEDULE A.

(Vide No. 19 of Rules.)

Maximum area in square miles for mining-lease—

Coal	..	..	..	..	..	..	..	2
Oil	..	..	..	..	..	..	..	1
Gold or silver	..	..	..	..	..	..	..	$\frac{1}{2}$
Metals	..	..	..	..	..	..	..	$\frac{1}{2}$
Precious stones	..	..	..	..	..	..	..	*

* Will be decided by the Government of India in each case on its merits.

SCHEDULE B.

(Vide Nos. 15 (ii), 22 (ii), and 22 (iii) of Rules.)

	Prospecting.	Mining.	
		Surface rent per acre.	Dead rent per acre (minimum).
Rent charged for—			
Coal	..	A moderate rent not exceeding one rupee per acre.	4 annas.
Oil	..		1 rupee.
Gold or silver	..		1 rupee.
Iron	..		1 anna.
Other metals	..		1 rupee.
		The rent rate assessable under the revenue or rent law of the Province; or, if no such rent is so assessable, the rate which may be fixed by agreement, subject to a maximum of one rupee.	

SCHEDULE C.

(Vide Nos. 15 (iii) and 22 (i) of Rules.)

Prospecting and Mining.

Royalty—

Coal, exclusive of dust and coal used on the works.	1 anna per ton.
Oil	8 annas per 40 gallons or 5 per cent. <i>ad valorem</i> on gross value.
Gold or silver	7½ per cent. on the net profits of each year taken separately.
Iron	½ anna per ton of ironstone.
Copper, tin, lead, or other metals	2½ per cent. on the sale value at the pit's mouth or on the surface, of the dressed ore or metal, convertible at the option of the lessee to an equivalent charge per ton to be fixed annually or for a term.
Precious stones	30 per cent. on the net profits of each year taken separately.

Order.—Ordered that a copy of this Resolution be forwarded to all Local Governments and Administrations for information and guidance, and that a copy be forwarded to all departments of the Government of India, to the Director, Geological Survey of India, and to the Inspector-General of Forests, for information.

Ordered, also, that the Resolution be published in the supplement to the *Gazette of India* for general information.

To the Secretary to the Government of Madras.

ORDER—No. 375, Revenue, dated 15th June 1899.

Miscellaneous.

Communicated to the Board of Revenue for information and guidance. The Board should revise its Standing Order No. 15 (new edition) and the rules for the mining of mica in the Nellore district with reference to the new rules now issued by the Government of India, and submit the revised drafts for the approval of the Government.

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(True Extract.)

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

To the Board of Revenue (Land Revenue).

Copy to the Board of Revenue (Revenue Settlement,
Land Records and Agriculture).

Exd. Shaik Kurim.

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Government (1899) of Madras.
REVENUE.

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G.O., No. 375, 15th June

JUNE.

Revised Mining Rules.

Communicating with instructions to the Board of Revenue the revised rules issued by the Government of India for the grant of exploring and prospecting licenses and mining leases.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

READ—the following letter from the Hon'ble Mr. M. FINUCANE, C.S.I., I.C.S.,
 Officiating Secretary to the Government of India (Department of Revenue and
 Agriculture—Geology and Minerals), to the Secretary to the Government
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2. The revised rules are based on the principle that the Government, while
 desiring to facilitate the development of India's resources for the public benefit, does
 not undertake the duty of protecting the private interests of those who embark their
 money in Indian private enterprises. The rules also devolve on the Local Governments
 much of the duty which, under the rules of 1894, rested upon the Government of
 India. The rates of royalty have also been revised, and in the case of gold and silver
 and precious stones the royalty is placed on the net profits of the year.

3. With regard to *prospecting* licenses, it will be noticed that such licenses may
 now be granted to Syndicates and Companies as well as to single persons. Also, that
 the area with respect to which a prospecting license may be granted is not limited by
 the rules to blocks of specified dimensions, but will be determined in each case by the
 Collector subject to the control of the Local Government. Also, that with the consent
 of the Local Government the licensee may transfer or assign to another person,
 Syndicate, or Company, his rights and interests under the prospecting license. The
 old rule is retained that no prospecting license shall be granted except to a person
 (the term "person" includes a Syndicate and a Company) approved by the Local
 Government. In granting a certificate of approval the Local Government should
 satisfy itself that the person intends to carry out *bonâ fide* prospecting work, and has
 sufficient means at his disposal.

4. A prospecting license should be restricted to such area as is reasonably required
 for *bonâ fide* prospecting purposes. In determining this area, regard must be had to
 the character of the minerals prospected for and the means at the disposal of the pros-
 pector. Under the old rules a prospecting license was limited to one or more blocks,
 each of a prescribed area and separated from each other by prescribed spaces. These
 prescriptions have now been abandoned, as they hampered the work of prospecting by
 preventing the prospector from following up promising indications, and enabled others
 to reap the fruits of his enterprise. But as a prospecting license confers exclusive
 rights for a term which may be extended to three years, the area over which such a
 license should be granted is a matter of some consequence. The Collector's powers in
 this respect are made subject to the control of the Local Government, and the Local
 Government might suitably direct that, in cases in which a prospecting license is
 applied for over a large area, a previous reference to higher authority should be made
 by the Collector.

5. In the exercise of the power of granting or withholding sanction to an assign-
 ment or transfer of a prospecting license, the Local Government will, as a general
 rule, be justified in withholding sanction if no prospecting work has been done by the
 licensee, and there is reason to believe that he obtained the license solely with a view to
 immediately selling it out and out at a profit. On the other hand, sanction may with
 propriety be given if the licensee requires further resources, or proposes to associate other
 persons, by way of a partnership, Syndicate, or Joint Stock Company, with himself in
 the undertaking, if the assignment or transfer appears to be a *bonâ fide* arrangement
 and if the transferee is a person or Company whom the Government would be willing to
 approve as a prospector. Hitherto, the practice has been to unfavourably regard or
 absolutely prohibit transfers of prospecting licenses, on the ground that ordinarily there
 was nothing assured to transfer, that the transfer was proposed with the sole object of
 making money out of the public, and that, if the licensee was unable to work his
 concession, his proper course was to resign it. Under the new rules, the attitude of
 the Government will be less strict, but as its sanction to a transfer or assignment is
 still required by the rules, it must satisfy itself on certain points, as above indicated.

6. With regard to the right to a mining lease secured to the licensee on or before
 the determination of his prospecting license, the right, it will be observed, is limited
 to a mining lease of one block of land, which shall not exceed the area specified in
 schedule A. The Local Government is empowered to grant to an applicant more than
 one block of land, if it considers this expedient. But the right of a prospector in
 respect of a mining lease is limited to one block. The granting of more than one
 block to him is entirely in the discretion of the Local Government. The number of
 blocks which may be granted under any one lease is a matter of importance,
 and will vary with the character of the mineral, the resources at the command of the
 applicant, the area of land available in the locality at the disposal of the Govern-
 ment and the possibilities of the industry. It would ordinarily be sufficient, for instance, to give a single applicant, a mining lease
 of ten square miles for mining reefs or of an oil tract.

7. The power of the Local Government to the transfer or assignment of
 a mining lease is limited by the rules, and, before granting sanction the Local
 Government should satisfy itself that the proposed transfer is a *bonâ fide* transaction,
 that the transferee is a person or Company of substance, and can be relied on to fulfil,
 in relation to the Government, the conditions and stipulations of the lease. It is not,
 however, intended that the Government should undertake responsibility towards the
 public for the accuracy of any prospectus which the transferees may intend to issue,
 or should closely examine the details of the proposed transfer or of the arrangements
 contemplated after it has taken effect. If in any particular case the Local Govern-
 ment feels a difficulty as to how its discretion should be exercised, a reference should
 be made to the Government of India.

8. A report of every concession made by a Local Government under these rules
 should be made to the Government of India, and a copy of every mining lease
 returned to them for information. The terms of mining leases should invariably be
 settled by the law officers of the Local Government, who should be required to see
 that they provide for all the obligatory conditions and stipulations of the mining rules.

9. It will be observed that under rule 4 and rule 15 (IV) holders of exploring
 and prospecting licenses are prohibited from entering upon and turning up the surface
 of occupied land without the consent of the occupier while under rule 22 (v) the
 holder of a mining lease is bound to make reasonable compensation for all injury that
 may be done by him in exercise of the powers granted by the lease.

The property of the State in underlying minerals and its right to extract them
 has been declared in various enactments, but the point is deserving of examination
 whether in the cases referred to, where the Government does not itself extract
 minerals but grants the right to do so to another party it is sufficiently empowered by
 existing law or rule to afford reasonable facilities to licensees and lease-holders to
 enter on occupied land to break up the surface where necessary and to have the
 amount of compensation that may be paid assessed by public authority. If such
 facilities cannot be afforded under the law it is possible that the objects of the license

or lease may be frustrated by obstruction or unreasonable demands on the part of the occupier or surface owner and to meet such cases some modification of the law may be required. I am to enquire whether the law of your province affords sufficient facilities in this respect. In replying to this enquiry, I am to request that a reference may be given to the law or rule under which action would be taken by the Local Government if the contingency indicated were to arise.

10. The rules apply only to British India.

READ—the following extract from the Proceedings of the Government of India, in the Department of Revenue and Agriculture (Geology and Minerals), dated Simla, the 20th May 1899, No. 18—17-2:—

Read—the undermentioned papers—

Department of Revenue and Agriculture Resolution No. 15—27-4, dated the 12th December 1894.

Department of Revenue and Agriculture Circular to Local Governments and Administrations, No. 16—27-5, dated the 13th December 1894.

Department of Revenue and Agriculture Circular to Local Governments and Administrations, No. 17—27-6, dated the 13th December 1894.

Despatch to Her Majesty's Secretary of State for India, No. 74, dated the 21st October 1897.

Despatch from Her Majesty's Secretary of State for India, No. 16 (Revenue), dated the 19th January 1899.

RESOLUTION.

The Governor-General in Council is pleased to prescribe the following revised rules for regulating the grant by Local Governments of licenses to explore and prospect for minerals and the grant of mining leases in British India.

RULES FOR THE GRANT OF LICENSES BY LOCAL GOVERNMENTS TO EXPLORE AND PROSPECT FOR MINERALS, AND OF MINING LEASES IN BRITISH INDIA.

The following rules regulating the grant by Local Governments of licenses to explore and prospect for minerals and the grant of leases of mines and minerals have been made by the Governor-General in Council, and sanctioned by the Secretary of State for India in Council.

No such license or lease can be granted by any Local Government otherwise than in accordance with these rules, except with the previous sanction of the Secretary of State for India in Council, or with that of the Governor-General in Council under any general or special authority which he may have received in this behalf from the said Secretary of State in Council.

In these rules—

Collector means the Revenue Officer in charge of the district;

Local Government includes a Chief Commissioner; and

Person includes any persons, syndicate, partnership, or Company.

A license or lease under these rules may be granted to any person; in case of the death of the person or any of the persons to whom it is granted it shall inure for the benefit of his legal representatives.

Exploring Licenses.

1. A license to explore land for minerals or mineral oil, called hereinafter an exploring license, will authorise the licensee to search the surface of the land specified in the license for minerals of every description and for mineral oil, and, subject to such restrictions as the Local Government may from time to time impose, to remove any specimens or samples found by the licensee in or upon such land.*

2. Such license shall only be granted with respect to land in which the mines, minerals, or mineral oils are the property of the Government, and (subject to the provisions of any law, or rule having the force of law, for the time being in force with reference to such land) shall not authorise the licensee to enter upon any land in the occupation of any person without the consent of the occupier.

3. Such license cannot be assigned, nor can any right or interest thereunder be transferred without the assent of the Local Government.

4. Such license shall not authorise the licensee to mine or quarry, but he may turn up to such depth as the Collector may sanction, and, subject to such conditions as he may impose, the surface of unoccupied land, or, with the consent of the occupier, that of land which the Government has granted for agricultural purposes, reserving only the right to minerals.

* Note.—The surface of unoccupied and unreserved land which is the property of Government may be freely searched without a license, but the Government does not object to granting a license to explore when one is applied for.

5. Such license may be granted by such person and under such rules as the Local Government may prescribe.

6. Every such license shall run for one year, but may be renewed for a further similar term by the same authority, and there shall be paid for each license or renewal such fee, not exceeding Rs. 10, as the Local Government may prescribe.

7. A royalty shall be payable to Government on the value of all precious stones found and removed by an explorer, whether he has taken out a license or not. In the case of licenses such royalty shall be at such rate, not exceeding 15 per cent., as shall be fixed by the license, and in the case of an unlicensed explorer, shall be 15 per cent. on the value of the stones removed. Neglect to report the discovery of any such stone within a reasonable time shall involve the forfeiture of the license and of all claim to have an application for a mining or prospecting lease favourably considered.

8. Such license shall give no exclusive or preferential rights, but in considering rival claims for a prospecting license or mining lease, due regard will be had to operations conducted under cover of an exploring license.

Prospecting Licenses.

9. (1) A license to prospect for minerals or mineral oil, called hereinafter a prospecting license, shall confer on the licensee the sole right, subject to the conditions contained in the license, to mine, quarry, bore, dig and search for, win, work, and carry away any mineral or mineral oil specified in the license, and lying or being within, under, or throughout the land specified in the license.

(2) A prospecting license shall only be granted with respect to land in which the mines, minerals, or mineral oils are the property of the Government, and shall apply only to the area described in the license.

10. No prospecting license shall be granted except to a person approved by the Local Government, and such person shall, before the license is granted, deposit as security in respect of each license such sum, not being less than Rs. 100, as the Collector may determine, or give security to the like amount to the satisfaction of the Collector. Subject to such deduction on account of compensation for surface damage or otherwise as the Collector may order, the amount of any deposit made under this rule, should the depositor afterwards become the lessee of any mining lease, will be carried to his credit as part of the rents and royalties payable under his lease, and should he decline or fail to obtain any such lease as aforesaid, will be returned to him.

11. (1) Every application for a prospecting license shall, unless the Local Government shall in any case otherwise direct, be made to the Collector of the district, in which the land or some part of the land with respect to which the license is required is situate.

(2) Every such application shall contain the following particulars, namely:

(a) the name, residence, and profession of the applicant;

(b) a description, as accurate as possible, and illustrated by a rough sketch, of the situation, boundaries, and area of the land with respect to which the license is required; and

(c) a specification of the mineral or minerals for which the applicant desires to prospect.

(3) Every application shall be accompanied by a certificate that the applicant has been approved by the Local Government, under the signature of one of its secretaries.

12. On receipt of any such application, the Collector shall, as soon as practicable, inquire whether the grant of the license applied for is inexpedient either on the ground that the land described in the application is required for a public purpose, or otherwise.

13. (1) Should the Collector be of opinion that it is not expedient to grant the license, or should he find that the licensee has not been approved by the Local Government, he shall refuse to grant the license, and shall forthwith report the matter through the proper channel to the Local Government, which may pass such orders as it may think fit.

(2) Subject to the control of the Local Government, the Collector, if he finds that there is no objection to the grant of the license applied for, and if the applicant has been approved by the Local Government, may grant to the applicant a license in such form as may be prescribed, and shall report the matter to the Local Government or such other authority as the Local Government may direct.

14. A register of applications for prospecting licenses shall be kept in English in the Collector's office, specifying—

(1) Name of applicant.

(2) Date.

(3) Residence of applicant.

(4) Situation of the land.

(5) Boundaries.

(6) Estimated area.

(7) Date of certificate of approval of applicant by the Local Government.

(8) Date of license.

(9) Rent and royalty payable.

(10) Period for which granted.

15. Every prospecting license shall contain such conditions as may in any particular case seem necessary, and shall in all cases contain the following conditions:—

(i) The term for which the license shall be granted shall be one year or such shorter term as the applicant may desire. The license may be renewed by the Collector for a further term not exceeding two years, whenever he is satisfied that the licensee has been prevented from completing his search of the land by any cause other than his own default.

- (ii) A moderate rent not exceeding one rupee per acre shall be paid for the land covered by the license.
 - (iii) The licensee shall pay a royalty at a rate not exceeding 15 per cent. of the value on all precious stones won and carried away, and a royalty at the rates specified in Schedule C on all other minerals won and carried away over and above such quantity as the Collector, subject to the orders of the Local Government, may allow to be taken free for purposes of experiment.
 - (iv) No land in the occupation of any person shall be entered upon without the consent of the occupier, and no trees, standing crops, or other private property shall be cut or in any way injured without the consent of the owner thereof.
 - (v) The licensee shall make and pay reasonable satisfaction and compensation for all injury which may be done by him in exercise of the powers granted by the license, and shall indemnify the Government against all claims which may be made by third parties in respect of any such damage or injury.
 - (vi) The licensee shall not cut or injure any tree on unoccupied and unreserved land without the permission of the Collector in writing.
 - (vii) Such license cannot be assigned nor can any right or interest thereunder be transferred without the consent of the Local Government.
 - (viii) In case of any breach on the part of the licensee of any of the five last preceding clauses, the Collector may summarily revoke the license, and thereupon all rights conferred thereby or enjoyed thereunder shall cease.
 - (ix) The licensee shall, within six months next after the determination of the license or the date of the abandonment of the undertaking, whichever shall first occur, securely plug any bores and fill up or fence any holes or excavations that he may have made in the land to such extent as the Collector may require, and shall to the like extent restore the surface of the land and all buildings thereon which he may have damaged in the course of prospecting: Provided that this clause shall not apply to any land held under a mining lease.
 - (x) Should any question of dispute arise regarding the license, or any matter or thing connected therewith, or the powers of the licensee thereunder or the amount or payment of the rent or royalty made payable thereby, the matter in difference shall be decided by the Local Government, whose decision shall be final.
16. On or before the determination of his license the licensee shall have a right, subject to the rules hereinafter contained—
- (a) in the case of mineral oil or minerals other than precious stones, to a mining lease in accordance with the terms contained in rules for mining leases;
 - (b) in the case of precious stones, to the first offer of such mining lease as the Governor-General in Council may think fit to grant.

Such lease may include so much land, whether comprising the whole or a part only of the area for which the prospecting license was granted, as shall not exceed the area specified with respect to mining leases in schedule A annexed to these rules.

Mining Leases.

17. (1) Every application for the grant of a mining lease, not being a lease of a mine of precious stones, shall be presented to the Collector in whose district the land or some part of the land with respect to which the lease is applied for is situate. The Collector shall forward the application through the proper channel to the Local Government. The Local Government may by general or special order require a deposit of money not exceeding Rs. 500 to be made by the applicant in any case or class of cases before the application is taken into consideration.

(2) No mining lease shall be granted otherwise than with respect to land in which the mines, minerals, or mineral oils are the property of Government.

18. Every application for a mining lease shall contain—

- (a) the name, residence, and profession of the applicant;
- (b) the name of the mineral for which the applicant intends to mine;
- (c) a map of the area over which the proposed lease is to extend.

19. On receipt of any such application the Local Government may, if the applicant is entitled to a lease under Rule 16, or if it considers that the applicant should be granted a mining lease, grant the same in accordance with these rules over such one or more blocks, each not exceeding in extent the area specified in Schedule A annexed to these rules, as the Local Government may think fit:

Provided that no mining lease shall be granted by a Local Government under these rules so as to cause the total area held under mining leases by the lessee, or by those joint in interest with him, to exceed ten square miles.

No such lease shall be executed until it has been approved by the Advocate-General or other legal adviser, if any, appointed for the Province.

20. Without the previous sanction of the Governor-General in Council, the length of a block shall not be allowed to exceed four times its breadth.

21. The term for which a mining lease may be granted shall not exceed thirty years, and no covenant for renewal may be inserted in the lease without the sanction of the Governor-General in Council.

22. Every such lease shall contain such conditions and stipulations as the Local Government may in each case consider necessary; but shall in every case contain the following conditions, namely:

- (i) the lessee shall pay a royalty at the rate specified in the lease, which rate shall be that fixed for the particular mineral in Schedule C; and if any other mineral shall be discovered by him, then the royalty shall be paid therefor at such rate, not being less than 20 per cent. of the value thereof, as the Local Government may determine, until a mining lease has been obtained in respect of such mineral; but the lessee shall be entitled to require and obtain such lease for the term then unexpired of his original lease upon the terms hereinbefore mentioned in Rule 16;
- (ii) the lessee shall also pay for every year after the first year a fixed yearly dead rent at a rate not less than that laid down in Schedule B: provided that no lessee shall pay both royalty and dead rent in respect of the same lease, but only such one of them as may be of the greater amount;
- (iii) the lessee shall also pay for all land which he may take up, use or occupy for the purpose of the mine a surface rent at the rate specified in Schedule B;
- (iv) the lessee shall at his own expense erect and at all times maintain and keep in repair boundary marks and pillars according to the demarcation to be shown in a plan annexed to his lease;
- (v) the lessee shall make and pay reasonable satisfaction and compensation for all injury which may be done by him in exercise of the powers granted by the lease, and shall indemnify the Government against all claims which may be made by third parties in respect of any such injury;
- (vi) the lessee shall not cut or injure any tree reserved in the lease;
- (vii) neither the lessee nor any person claiming through or under him shall assign the lease, or transfer any right or interest thereunder, or underlet the whole or any portion of the premises comprised in such lease, without the assent of the Local Government first had and obtained;
- (viii) the lessee shall commence operations within two years from the date of the execution of the lease, and shall thereafter carry them on effectually in a proper, skilful, and mining-like manner unless prevented by unavoidable cause;
- (ix) the lessee shall keep correct accounts showing the quantity and particulars of all minerals obtained from the mine and the number of persons employed therein, and also complete plans of the mine, and shall allow any officer authorised by the Local Government in that behalf at any time to examine such accounts and plans, and shall furnish the Local Government with such information and returns in respect of the aforesaid matter as it may prescribe;
- (x) the lessee shall allow any officer authorised by the Local Government in that behalf to enter upon the premises comprised in the lease for the purpose of inspecting the same;
- (xi) the lessee shall without delay send to the Collector a report of any accident which may occur at or in the said premises, and also the finding therein of any mineral not specified in the lease;
- (xii) should the royalty or rent reserved or made payable by the lease be not paid within two months next after the date fixed in the lease for the payment of the same, the Local Government may enter upon the said premises and detain all or any of the minerals or moveable property therein, and may carry away or detain them until the rent or royalty due and all costs and expenses occasioned by the non-payment thereof shall be fully paid; and, if any royalty or rent remain at any time unpaid for six calendar months after the date on which it is due, the Local Government may determine the lease and take possession of the premises comprised therein;
- (xiii) in case of any breach on the part of the lessee of any covenant or condition contained in the lease, the Local Government may determine the lease and take possession of the said premises;
- (xiv) at the end or sooner determination of the lease, the lessee shall deliver up the said premises and all mines (if any) dug therein in a proper and workmanlike state, save in respect of any working as to which the Local Government may have sanctioned abandonment;
- (xv) should any question or dispute arise regarding the lease or any matter or thing connected with the mines and minerals leased, or the working or non-working thereof, or the amount or payment of the royalty or rent reserved or made payable by the lease, the matter in difference shall be decided by the Local Government, whose decision thereon shall be final.

23. No lease of a mine of precious stones shall be granted except by the Governor-General in Council. The procedure for obtaining and the conditions of such lease shall be those prescribed by Rules 17 to 22, read as if the Governor-General in Council were substituted for the Local Government.

General Provisions as to Licenses and Leases.

24. (1) All operations conducted under the authority of these rules within a reserved forest shall be subject to such conditions as the Local Government may by general or special order from time to time prescribe.

(2) It shall be a condition of every license granted under these rules that, before the commencement of exploration or prospecting (as the case may be) within a reserved forest, notice shall be given to the District Forest Officer of the intention to commence operations, and that the operation shall be conducted subject to any conditions regarding the use of fire that he may prescribe.

* Note.—All information and returns obtained or furnished under this clause shall be treated as strictly confidential.