

The Gazette  of India

EXTRAORDINARY
PART II—Section I
PUBLISHED BY AUTHORITY

No. 52] NEW DELHI, MONDAY, DECEMBER 30, 1957/PAUSA 9, 1879

MINISTRY OF LAW

New Delhi, the 30th December 1957

The following Acts of Parliament received the assent of the President on the 28th December, 1957, and are hereby published for general information:—

THE MINES AND MINERALS (REGULATION AND DEVELOPMENT) ACT, 1957

No. 67 of 1957

[28th December, 1957]

An Act to provide for the regulation of mines and the development of minerals under the control of the Union.

BE it enacted by Parliament in the Eighth Year of the Republic of India as follows:—

PRELIMINARY

1. (1) This Act may be called the Mines and Minerals (Regulation and Development) Act, 1957. Short title, extent and commencement.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. It is hereby declared that it is expedient in the public interest that the Union should take under its control the regulation of mines and the development of minerals to the extent hereinafter provided. Declaration as to expediency of Union control.

Definitions.

3. In this Act, unless the context otherwise requires,—

(a) "minerals" includes all minerals except mineral oils;

(b) "mineral oils" includes natural gas and petroleum;

(c) "mining lease" means a lease granted for the purpose of undertaking mining operations, and includes a sub-lease granted for such purpose;

(d) "mining operations" means any operations undertaken for the purpose of winning any mineral;

(e) "minor minerals" means building stones, gravel, ordinary clay, ordinary sand other than sand used for prescribed purposes, and any other mineral which the Central Government may, by notification in the Official Gazette, declare to be a minor mineral;

(f) "prescribed" means prescribed by rules made under this Act;

(g) "prospecting licence" means a licence granted for the purpose of undertaking prospecting operations;

(h) "prospecting operations" means any operations undertaken for the purpose of exploring, locating or proving mineral deposits; and

(i) the expressions, "mine" and "owner", have the meanings assigned to them in the Mines Act, 1952.

35 of 1952

GENERAL RESTRICTIONS ON UNDERTAKING PROSPECTING AND MINING OPERATIONS

Prospect-
ing or
mining
operations
to be
under
licence or
lease.

4. (1) No person shall undertake any prospecting or mining operations in any area, except under and in accordance with the terms and conditions of a prospecting licence or, as the case may be, a mining lease, granted under this Act and the rules made thereunder:

Provided that nothing in this sub-section shall affect any prospecting or mining operations undertaken in any area in accordance with the terms and conditions of a prospecting licence or mining lease granted before the commencement of this Act which is in force at such commencement.

(2) No prospecting licence or mining lease shall be granted otherwise than in accordance with the provisions of this Act and the rules made thereunder.

5. (1) No prospecting licence or mining lease shall be granted by a State Government to any person unless he—

(a) holds a certificate of approval in the prescribed form from the State Government;

(b) produces from the Income-tax Officer concerned an income-tax clearance certificate in the prescribed form; and

(c) satisfies such other conditions as may be prescribed.

Restrictions on the grant of prospecting licences or mining leases.

Explanation.—For the purposes of this sub-section, a person shall be deemed to hold a certificate of approval notwithstanding that at the relevant time his certificate of approval has expired if an application for its renewal is pending at that time.

(2) Except with the previous approval of the Central Government, no prospecting licence or mining lease shall be granted—

(a) as respects any mineral specified in the First Schedule, or

(b) to any person who is not an Indian national.

Explanation.—For the purposes of this sub-section, a person shall be deemed to be an Indian national—

(a) in the case of a public company as defined in the Companies Act, 1956, only if a majority of the directors of the company are citizens of India and not less than fifty-one per cent. of the share capital thereof is held by persons who are either citizens of India or companies as defined in the said Act;

(b) in the case of a private company as defined in the said Act, only if all the members of the company are citizens of India;

(c) in the case of a firm or other association of individuals, only if all the partners of the firm or members of the association are citizens of India; and

(d) in the case of an individual, only if he is a citizen of India.

6. (1) No person shall acquire in any one State in respect of any mineral or prescribed group of associated minerals—

(a) one or more prospecting licences covering a total area of more than fifty square miles; or

(b) one or more mining leases covering a total area of more than ten square miles:

Maximum area for which a prospecting licence or mining lease may be granted.

Provided that if the Central Government is of opinion that in the interests of mineral development it is necessary so to do, it may, for reasons to be recorded, permit any person to acquire one or more prospecting licences or mining leases covering an area in excess of the aforesaid maximum.

(2) For the purposes of this section, a person acquiring by, or in the name of, another person a prospecting licence or mining lease which is intended for himself shall be deemed to be acquiring it himself.

Periods for which prospecting licences may be granted or renewed.

7. (1) The period for which a prospecting licence may be granted shall not—

(a) in the case of mica, exceed one year; and

(b) in the case of any other mineral, exceed two years.

(2) A prospecting licence may be renewed for one or more periods each not exceeding the period for which the prospecting licence was originally granted if the State Government is satisfied that a longer period is required to enable the licensee to complete prospecting operations:

Provided that no prospecting licence granted in respect of a mineral specified in the First Schedule shall be renewed except with the previous approval of the Central Government.

Periods for which mining leases may be granted or renewed.

8. (1) The period for which a mining lease may be granted shall not—

(a) in the case of coal, iron ore or bauxite, exceed thirty years; and

(b) in the case of any other mineral, exceed twenty years.

(2) A mining lease may be renewed—

(a) in the case of coal, iron ore or bauxite, for one period not exceeding thirty years; and

(b) in the case of any other mineral, for one period not exceeding twenty years:

Provided that no mining lease granted in respect of a mineral specified in the First Schedule shall be renewed except with the previous approval of the Central Government.

(3) Notwithstanding anything contained in sub-section (2), if the Central Government is of opinion that in the interests of mineral development it is necessary so to do, it may, for reasons to be recorded, authorise the renewal of a mining lease for a further period or periods not exceeding in each case the period for which the mining lease was originally granted.

9. (1) The holder of a mining lease granted before the commencement of this Act shall, notwithstanding anything contained in the instrument of lease or in any law in force at such commencement, pay royalty in respect of any mineral removed by him from the leased area after such commencement, at the rate for the time being specified in the Second Schedule in respect of that mineral.

Royalties
in respect
of mining
leases.

(2) The holder of a mining lease granted on or after the commencement of this Act shall pay royalty in respect of any mineral removed by him from the leased area at the rate for the time being specified in the Second Schedule in respect of that mineral.

(3) The Central Government may, by notification in the Official Gazette, amend the Second Schedule so as to enhance or reduce the rate at which royalty shall be payable in respect of any mineral with effect from such date as may be specified in the notification:

Provided that the Central Government shall not—

(a) fix the rate of royalty in respect of any mineral so as to exceed twenty per cent. of the sale price of the mineral at the pit's head, or

(b) enhance the rate of royalty in respect of any mineral more than once during any period of four years.

**PROCEDURE FOR OBTAINING PROSPECTING LICENCES OR MINING LEASES IN
RESPECT OF LAND IN WHICH THE MINERALS VEST IN THE GOVERN-
MENT**

10. (1) An application for a prospecting licence or a mining lease in respect of any land in which the minerals vest in the Government shall be made to the State Government concerned in the prescribed form and shall be accompanied by the prescribed fee.

Application
for prospect-
ing licen-
ces or
mining
leases.

(2) Where an application is received under sub-section (1), there shall be sent to the applicant an acknowledgment of its receipt within the prescribed time and in the prescribed form.

(3) On receipt of an application under this section, the State Government may, having regard to the provisions of this Act and any rules made thereunder, grant or refuse to grant the licence or lease.

Prefer-
ential
right of
certain
persons.

11. (1) Where a prospecting licence has been granted in respect of any land, the licensee shall have a preferential right for obtaining a mining lease in respect of that land over any other person:

Provided that the State Government is satisfied that the licensee has not committed any breach of the terms and conditions of the prospecting licence and is otherwise a fit person for being granted the mining lease.

(2) Subject to the provisions of sub-section (1), where two or more persons have applied for a prospecting licence or a mining lease in respect of the same land, the applicant whose application was received earlier shall have a preferential right for the grant of the licence or lease, as the case may be, over an applicant whose application was received later:

Provided that where any such applications are received on the same day, the State Government, after taking into consideration the matters specified in sub-section (3), may grant the prospecting licence or mining lease, as the case may be, to such one of the applicants as it may deem fit.

(3) The matters referred to in sub-section (2) are the following:—

(a) any special knowledge of, or experience in, prospecting operations or mining operations, as the case may be, possessed by the applicant;

(b) the financial resources of the applicant;

(c) the nature and quality of the technical staff employed or to be employed by the applicant;

(d) such other matters as may be prescribed.

(4) Notwithstanding anything contained in sub-section (2) but subject to the provisions of sub-section (1), the State Government

may for any special reasons to be recorded and with the previous approval of the Central Government, grant a prospecting licence or a mining lease to an applicant whose application was received later in preference to an applicant whose application was received earlier.

12. (1) The State Government shall cause to be maintained in the prescribed form—

- (a) a register of applications for prospecting licences;
- (b) a register of prospecting licensees;
- (c) a register of applications for mining leases; and
- (d) a register of mining lessees;

Registers of prospecting licences and mining leases.

in each of which shall be entered such particulars as may be prescribed.

(2) Every such register shall be open to inspection by any person on payment of such fee as the State Government may fix.

RULES FOR REGULATING THE GRANT OF PROSPECTING LICENCES AND MINING LEASES

13. (1) The Central Government may, by notification in the Official Gazette, make rules for regulating the grant of prospecting licences and mining leases in respect of minerals and for purposes connected therewith.

Power of Central Government to make rules in respect of minerals.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the person by whom, and the manner in which, applications for prospecting licences or mining leases in respect of land in which the minerals vest in the Government may be made and the fees to be paid therefor;

(b) the time within which, and the form in which, acknowledgment of the receipt of any such application may be sent;

(c) the matters which may be considered where applications in respect of the same land are received on the same day;

(d) the persons to whom certificates of approval may be granted, the form of such certificates and the fees payable for the grant, or renewal thereof;

(e) the authority by which prospecting licences or mining leases in respect of land in which the minerals vest in the Government may be granted;

(f) the procedure for obtaining a prospecting licence or a mining lease in respect of any land in which the minerals vest in a person other than the Government and the terms on which, and the conditions subject to which, such a licence or lease may be granted or renewed;

(g) the terms on which, and the conditions subject to which, any other prospecting licence or mining lease may be granted or renewed;

(h) the facilities to be afforded by holders of mining leases to persons deputed by the Government for the purpose of undertaking research or training in matters relating to mining operations;

(i) the fixing and collection of dead rent, fines, fees or other charges and the collection of royalties in respect of--

(i) prospecting licences,

(ii) mining leases,

(iii) minerals mined, quarried, excavated or collected;

(j) the manner in which rights of third parties may be protected (whether by payment of compensation or otherwise) in cases where any such party may be prejudicially affected by reason of any prospecting or mining operations;

(k) the grouping of associated minerals for the purposes of section 6;

(l) the manner in which, and the conditions subject to which, a prospecting licence or a mining lease may be transferred;

(m) the construction, maintenance and use of roads, power transmission lines, tramways, railways, aerial ropeways, pipelines and the making of passages for water for mining purposes on any land comprised in a mining lease;

(n) the form of registers to be maintained under this Act;

(o) the disposal or discharge of any tailings, slime or other waste products arising from any mining or metallurgical operations carried out in a mine;

(p) the reports and statements to be submitted by holders of prospecting licences or owners of mines and the authority to which such reports and statements shall be submitted;

(q) the period within which applications for revision of any order passed by a State Government or other authority in exercise of any power conferred by or under this Act, may be made and the manner in which such applications shall be disposed of; and

(r) any other matter which is to be, or may be, prescribed under this Act.

14. The provisions of sections 4 to 13 (inclusive) shall not apply to prospecting licences and mining leases in respect of minor minerals.

Sections 4 to 13 not to apply to minor minerals.

15. (1) The State Government may, by notification in the Official Gazette, make rules for regulating the grant of prospecting licences and mining leases in respect of minor minerals and for purposes connected therewith.

Power of State Governments to make rules in respect of minor minerals.

(2) Until rules are made under sub-section (1), any rules made by a State Government regulating the grant of prospecting licences and mining leases in respect of minor minerals which are in force immediately before the commencement of this Act shall continue in force.

16. (1) All mining leases granted before the 25th day of October, 1949, shall, as soon as may be after the commencement of this Act, be brought into conformity with the provisions of this Act and the rules made under sections 13 and 18:

Power to modify mining leases granted before 25th October, 1949.

Provided that if the Central Government is of opinion that in the interests of mineral development it is expedient so to do, it may, for reasons to be recorded, permit any person to hold one or more such mining leases covering in any one State a total area in excess of that specified in clause (b) of section 6 or for a period exceeding that specified in sub-section (1) of section 8.

(2) The Central Government may, by notification in the Official Gazette, make rules for the purpose of giving effect to the provisions of sub-section (1) and in particular such rules shall provide—

(a) for giving previous notice of the modification or alteration proposed to be made in any existing mining lease to the lessee and where the lessor is not the Central Government, also to the lessor and for affording him an opportunity of showing cause against the proposal;

(b) for the payment of compensation to the lessee in respect of the reduction of any area covered by the existing mining lease; and

(c) for the principles on which, the manner in which, and the authority by which, the said compensation shall be determined.

**SPECIAL POWERS OF CENTRAL GOVERNMENT TO UNDERTAKE PROSPECTING
OR MINING OPERATIONS IN CERTAIN CASES**

Special powers of Central Government to undertake prospecting or mining operations in certain lands.

17. (1) The provisions of this section shall apply only in respect of land in which the minerals vest in the Government of a State.

(2) Notwithstanding anything contained in this Act, the Central Government, after consultation with the State Government, may undertake prospecting or mining operations in any area not already held under any prospecting licence or mining lease, and where it proposes to do so, it shall, by notification in the Official Gazette,—

(a) specify the boundaries of such area;

(b) state whether prospecting or mining operations will be carried out in the area; and

(c) specify the mineral or minerals in respect of which such operations will be carried out.

(3) Where, in exercise of the powers conferred by sub-section (2), the Central Government undertakes prospecting or mining operations in any area, the Central Government shall be liable to pay prospecting fee, royalty, surface rent or dead rent, as the case may be, at the same rate at which it would have been payable under this Act, if such prospecting or mining operations had been undertaken by a private person under a prospecting licence or mining lease.

(4) The Central Government, with a view to enabling it to exercise the powers conferred on it by sub-section (2) may, after consultation with the State Government, by notification in the official Gazette, declare that no prospecting licence or mining lease shall be granted in respect of any land specified in the notification.

DEVELOPMENT OF MINERALS

Mineral Development.

18. (1) It shall be the duty of the Central Government to take all such steps as may be necessary for the conservation and development of minerals in India, and for that purpose the Central Government may, by notification in the Official Gazette, make such rules as it thinks fit.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the opening of new mines and the regulation of mining operations in any area;

(b) the regulation of the excavation or collection of minerals from any mine;

(c) the measures to be taken by owners of mines for the purpose of beneficiation of ores, including the provision of suitable contrivances for such purpose;

(d) the development of mineral resources in any area;

(e) the notification of all new borings and shaft sinkings and the preservation of bore-hole records, and specimens of cores of all new bore-holes;

(f) the regulation of the arrangements for the storage of minerals and the stocks thereof that may be kept by any person;

(g) the submission of samples of minerals from any mine by the owner thereof and the manner in which and the authority to which such samples shall be submitted; and the taking of samples of any minerals from any mine by the State Government or any other authority specified by it in that behalf; and

(h) the submission by owners of mines of such special or periodical returns and reports as may be specified, and the form in which and the authority to which such returns and reports shall be submitted.

(3) All rules made under this section shall be binding on the Government.

MISCELLANEOUS

19. Any prospecting licence or mining lease granted, renewed or acquired in contravention of the provisions of this Act or any rules or orders made thereunder shall be void and of no effect.

Prospecting licences and mining leases to be void if in contravention of Act.

Explanation.—Where a person has acquired more than one prospecting licence or mining lease in any State and the aggregate area covered by such licences or leases, as the case may be, exceeds the maximum area permissible under section 6, only that prospecting licence or mining lease the acquisition of which has resulted in such maximum area being exceeded shall be deemed to be void.

20. The provisions of this Act and the rules made thereunder shall apply in relation to the renewal after the commencement of this Act of any prospecting licence or mining lease granted before such commencement as they apply in relation to the renewal of a prospecting licence or mining lease granted after such commencement.

Act and rules to apply to all renewals of prospecting licences and mining leases.

21. (1) Whoever contravenes the provisions of sub-section (1) of section 4 shall be punishable with imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

Penalties.

(2) Any rule made under any provision of this Act may provide that any contravention thereof shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both, and in the case of a continuing contravention, with an additional fine which may extend to one hundred rupees for every day during which such contravention continues after conviction for the first such contravention.

Cogniz-
ance of
offences.

22. No court shall take cognizance of any offence punishable under this Act or any rules made thereunder except upon complaint in writing made by a person authorised in this behalf by the Central Government or the State Government.

Offences
by com-
panies

23. (1) If the person committing an offence under this Act or any rules made thereunder is a company, every person who at the time the offence was committed was in charge of, and was responsible to the company for the conduct of the business of the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed with the consent or connivance of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

(a) “company” means any body corporate and includes a firm or other association of individuals;

(b) “director” in relation to a firm means a partner in the firm.

Power of
entry and
inspection.

24. (1) For the purpose of ascertaining the position of the working, actual or prospective, of any mine or abandoned mine or for any other purpose connected with this Act or the rules made thereunder, any person authorised by the Central Government in this behalf, by general or special order, may—

(a) enter and inspect any mine;

(b) survey and take measurements in any such mine;

(c) weigh, measure or take measurements of the stocks of minerals lying at any mine;

(d) examine any document, book, register, or record in the possession or power of any person having the control of, or connected with, any mine and place marks of identification thereon, and take extracts from or make copies of such document, book, register or record;

(e) order the production of any such document, book, register, record, as is referred to in clause (d); and

(f) examine any person having the control of, or connected with, any mine.

45 of 1860.

(2) Every person authorised by the Central Government under sub-section (1) shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code, and every person to whom an order or summons is issued by virtue of the powers conferred by clause (e) or clause (f) of that sub-section shall be legally bound to comply with such order or summons, as the case may be.

25. Any rent, royalty, tax, fee or other sum due to the Government under this Act or the rules made thereunder or under the terms and conditions of any prospecting licence or mining lease may, on a certificate of such officer as may be specified by the State Government in this behalf by general or special order, be recovered in the same manner as an arrear of land revenue.

Recovery of certain sums as arrears of land revenue.

26. (1) The Central Government may, by notification in the Official Gazette, direct that any power exercisable by it under this Act may, in relation to such matters and subject to such conditions, if any, as may be specified in the notification be exercisable also by—

Delegation of powers.

(a) such officer or authority subordinate to the Central Government; or

(b) such State Government or such officer or authority subordinate to a State Government;

as may be specified in the notification.

(2) The State Government may, by notification in the Official Gazette, direct that any power exercisable by it under this Act may, in relation to such matters and subject to such conditions, if any, as may be specified in the notification, be exercisable also by such officer or authority subordinate to the State Government as may be specified in the notification.

(3) Any rules made by the Central Government under this Act may confer powers and impose duties or authorise the conferring of powers and imposition of duties upon any State Government or any officer or authority subordinate thereto.

- Protection of action taken in good faith. 27. No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act.
- Rules and notifications to be laid before Parliament and certain rules to be approved by Parliament. 28. (1) All rules made and notifications issued by the Central Government under this Act shall be laid for not less than thirty days before each House of Parliament as soon as may be after they are made or issued and shall be subject to such modifications as Parliament may make during the session in which they are so laid or the session immediately following.
- (2) Without prejudice to the generality of the rule-making power vested in the Central Government, no rules made with reference to clause (c) of sub-section (2) of section 16 shall come into force until they have been approved, whether with or without modifications, by each House of Parliament.
- Existing rules to continue. 29. All rules made or purporting to have been made under the Mines and Minerals (Regulation and Development) Act, 1948, shall, 53 of 1948. in so far as they relate to matters for which provision is made in this Act and are not inconsistent therewith, be deemed to have been made under this Act as if this Act had been in force on the date on which such rules were made and shall continue in force unless and until they are superseded by any rules made under this Act.
- Power of revision of Central Government. 30. The Central Government may, of its own motion or on application made within the prescribed time by an aggrieved party, revise any order made by a State Government or other authority in exercise of the powers conferred on it by or under this Act.
- Relaxation of rules in special cases. 31. The Central Government may, if it is of opinion that in the interests of mineral development it is necessary so to do, by order in writing and for reasons to be recorded, authorise in any case the grant, renewal or transfer of any prospecting licence or mining lease, or the working of any mine for the purpose of searching for or winning any mineral, on terms and conditions different from those laid down in the rules made under section 13.
- Amendments to Act 53 of 1948. 32. The Mines and Minerals (Regulation and Development) Act, 1948, shall be amended in the manner specified in the Third Schedule.

53 of 1948.

33. All acts of executive authority done, proceedings taken and sentences passed under the Mines and Minerals (Regulation and Development) Act, 1948, with respect to the regulation of mines and the development of minerals during the period commencing on the 26th day of January, 1950, and ending with the date of commencement of this Act by the Government or by any officer of the Government or by any other authority, in the belief or purported belief that the acts, proceedings or sentences were being done, taken or passed under the said Act, shall be as valid and operative as if they had been done, taken or passed in accordance with law, and no suit or other legal proceeding shall be maintained or continued against any person whatsoever, on the ground that any such acts, proceedings or sentences were not done, taken or passed in accordance with law.

Validation of certain acts and indemnity.

THE FIRST SCHEDULE

[See sections 5 (2) (a), 7(2) and 8(2)]

SPECIFIED MINERALS

1. Apatite and phosphatic ores.
2. Beryl.
3. Chrome ore.
4. Coal and lignite.
5. Columbite, samarskite and other minerals of the "rare earths" group.
6. Copper.
7. Gold.
8. Gypsum.
9. Iron ore.
10. Lead.
11. Manganese ore.
12. Molybdenum.
13. Nickel ores.
14. Platinum and other precious metals and their ores.
15. Pitchblende and other uranium ores.
16. Precious stones.
17. Rutile.
18. Silver.
19. Sulphur and its ores.
20. Tin.

21. Tungsten ores.
22. Uraniferous allanite, monazite and other thorium minerals.
23. Uranium bearing tailings left over from ores after extraction of copper and gold, ilmenite and other titanium ores.
24. Vanadium ores.
25. Zinc.
- 26 Zircon

THE SECOND SCHEDULE

(See section 9)

RATES OF ROYALTY

1. Coal Five per cent. of f.o.r. price subject to a minimum of fifty *naye paise* per ton.

2. Mica—

Either

- (a) Crude mica One rupee per maund.
- (b) Trimmed mica, all qualities other than heavy stained, dense stained and spotted. Three rupees per maund.
- (c) Trimmed mica other than that specified in item (b). One rupee and fifty *naye paise* per maund.
- (d) Waste and scrap mica Twelve *naye paise* per maund.

Or

Six-and-a-quarter per cent. of the sale price of mica at the pit's mouth, at the option of the lessor.

3. Gold, silver, platinum and other precious metals and their ores, copper, lead and zinc ores. Six-and-a-quarter per cent. of the sale price at the pit's mouth.
4. Iron—

- (a) Used for extraction of iron within the country Five per cent. of the sale price at the pit's mouth subject to a minimum of fifty *naye paise* per ton.

(b) Used for other purposes Five per cent. of the sale price at the pit's mouth subject to a minimum of one rupee per ton.

5. Precious stones Twenty per cent. of the sale price at pit's mouth.

Explanation.—For the purpose of this item, “price” means the price of “raw, uncut stone”, that is to say, stone from which adhering rock, soil and mud have been removed by washing or any other simple means, but which has not been subjected to any other process.

6. Manganese—

(a) Manganese dioxide Fifteen per cent. of the sale price at the pit's mouth subject to a minimum of three rupees per ton.

Manganese ore—

(i) High grade (Forty-five per cent. Mn. and over). Twelve-and-a-half per cent. of the sale price at the pit's mouth subject to a minimum of two rupees per ton.

(ii) Low grade (below Forty-five per cent. Mn.). Ten per cent. of the sale price at the pit's mouth subject to a minimum of one rupee per ton.

7 Chromite—

(a) Forty-five per cent. Cr_2O_3 and above. Ten per cent. of the sale price at the pit's mouth subject to a minimum of two rupees and twenty-five *naye paise* per ton.

(b) Less than Forty-five per cent. Cr_2O_3 Seven-and-a-half per cent. of the sale price at the pit's mouth subject to a minimum of one rupee and twelve *naye paise* per ton.

8. Limestone Five per cent. of the sale price at the pit's mouth subject to a minimum of thirty-seven *naye paise* per ton.

9. Dolomite Five per cent. of the sale price at the pit's mouth subject to a minimum of twenty-five *naye paise* per ton.

10. Graphite Ten per cent. of the sale price at the pit's mouth.

11 China Clay Seven-and-a-half per cent. of the sale price at the pit's mouth.

- | | | |
|-----|---|---|
| 12. | Kyanite | Ten per cent. of the sale price at the pit's mouth subject to a minimum of five rupees per ton. |
| 13. | Gypsum | Twelve-and-a-half per cent. of the sale price at the pit's mouth subject to a minimum of one rupee per ton. |
| 4. | All other minerals not herein-before specified. | Five per cent. of the sale price at the pit's mouth. |

THE THIRD SCHEDULE

(See section 32)

AMENDMENTS TO THE MINES AND MINERALS (REGULATION AND DEVELOPMENT) ACT, 1948

1. In the long title, omit the words "mines and", and for the word "minerals", substitute "mineral oil resources".

2. In the preamble, omit the words "mines and" and the words "to the extent hereinafter specified", and for the word "minerals", substitute "mineral oil resources".

3. In section 1,—

(i) in sub-section (1), for the words "Mines and Minerals", substitute "Oilfields"; and

(ii) in sub-section (2), omit the words "except the State of Jammu and Kashmir".

4. Omit section 2.

5. In section 3, in clauses (b), (c) and (d), for the word "minerals", substitute "mineral oils".

6. In section 5,—

(i) in sub-section (1), for the word "mineral" substitute "mineral oil"; and

(ii) in sub-section (2), in clause (a), for the word "minerals", substitute "mineral oils".

7. In section 6,—

(i) in sub-section (1), for the word "minerals", substitute "mineral oils";

(ii) in sub-section (2), omit clauses (a) and (b) and in clause (c), for the words "mineral resources", substitute "mineral oil resources"; and

(iii) in clauses (h) and (i), for the word "minerals", substitute "mineral oils".

THE PAYMENT OF WAGES (AMENDMENT) ACT, 1957

No. 68 of 1957

[28th December, 1957]

An Act further to amend the Payment of Wages Act, 1936.

BE it enacted by Parliament in the Eighth Year of the Republic of India as follows:—

1. (1) This Act may be called the Payment of Wages (Amendment) Act, 1957. Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. In section 1 of the Payment of Wages Act, 1936 (hereinafter referred to as the principal Act),— Amendment of section 1.

(i) in sub-section (5), for the words “the Act”, the words “this Act” shall be substituted; and

(ii) in sub-section (6), for the words “two hundred rupees”, the words “four hundred rupees” shall be substituted.

3. In section 2 of the principal Act,—

Amendment of section 2.

(i) for clause (i), the following clause shall be substituted, namely:—

‘(i) “factory” means a factory as defined in clause (m) of section 2 of the Factories Act, 1948;’

(ii) in clause (ii)—

(1) for item (c), the following item shall be substituted, namely:—

“(c) inland vessel, mechanically propelled;”;

(2) after item (f), the following item shall be inserted, namely:—

“(g) establishment in which any work relating to the construction, development or maintenance of buildings, roads, bridges or canals, or relating to operations connected with navigation, irrigation or the supply

4 of 1936:

63 of 1948.

of water, or relating to the generation, transmission and distribution of electricity or any other form of power is being carried on;"; and

(iii) for clause (vi), the following clause shall be substituted, namely:—

'(vi) "wages" means all remuneration (whether by way of salary, allowances or otherwise) expressed in terms of money or capable of being so expressed which would, if the terms of employment, express or implied, were fulfilled, be payable to a person employed in respect of his employment or of work done in such employment, and includes—

(a) any remuneration payable under any award or settlement between the parties or order of a court;

(b) any remuneration to which the person employed is entitled in respect of over time work or holidays or any leave period;

(c) any additional remuneration payable under the terms of employment (whether called a bonus or by any other name);

(d) any sum which by reason of the termination of employment of the person employed is payable under any law, contract or instrument which provides for the payment of such sum, whether with or without deductions, but does not provide for the time within which the payment is to be made;

(e) any sum to which the person employed is entitled under any scheme framed under any law for the time being in force;

but does not include—

(1) any bonus (whether under a scheme of profit sharing or otherwise) which does not form part of the remuneration payable under the terms of employment or which is not payable under any award or settlement between the parties or order of a court;

(2) the value of any house-accommodation, or of the supply of light, water, medical attendance or other amenity or of any service excluded from the computation of wages by a general or special order of the State Government;

(3) any contribution paid by the employer to any pension or provident fund, and the interest which may have accrued thereon;

(4) any travelling allowance or the value of any travelling concession;

(5) any sum paid to the employed person to defray special expenses entailed on him by the nature of his employment; or

(6) any gratuity payable on the termination of employment in cases other than those specified in sub-clause (d).'

25 of 1934. 63 of 1948. 4. In section 3 of the principal Act, in clause (a) of the proviso, for the words, brackets, letter and figures "clause (e) of sub-section (1) of section 9 of the Factories Act, 1934", the words, brackets, letter and figures "clause (f) of sub-section (1) of section 7 of the Factories Act, 1948" shall be substituted. Amendment of section 3.

5. In section 7 of the principal Act,—

(i) in sub-section (1), the *Explanation* shall be re-numbered as *Explanation I*, and after the *Explanation* as so re-numbered, the following *Explanation* shall be inserted, namely:—

"Explanation II.—Any loss of wages resulting from the imposition, for good and sufficient cause, upon a person employed of any of the following penalties, namely:—

(i) the withholding of increment or promotion (including the stoppage of increment at an efficiency bar);

(ii) the reduction to a lower post or time scale or to a lower stage in a time scale; or

(iii) suspension;

shall not be deemed to be a deduction from wages in any case where the rules framed by the employer for the imposition of any such penalty are in conformity with the requirements, if any, which may be specified in this behalf by the State Government by notification in the Official Gazette."

(ii) in sub-section (2), for clause (d), the following clause shall be substituted, namely:—

"(d) deductions for house-accommodation supplied by the employer or by Government or any housing board set up under any law for the time being in force (whether the Government or the board is the employer or not) or any other authority engaged in the business of subsidising house-

Amendment of section 7.

accommodation which may be specified in this behalf by the State Government by notification in the Official Gazette;"; and

(iii) for clause (k), the following clause shall be substituted, namely:—

"(k) deductions, made with the written authorisation of the person employed for payment of any premium on his life insurance policy to the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956, or for the purchase of securities of the Government of India or of any State Government or for being deposited in any Post Office Savings Bank in furtherance of any savings scheme of any such Government;".

31 of 1956.

Amendment
of section
14.

6. In section 14 of the principal Act, in sub-section (1), for the words, brackets and figures "sub-section (1) of section 10 of the Factories Act, 1934", the following shall be substituted, namely:—

25 of 1934.

"sub-section (1) of section 8 of the Factories Act, 1948".

63 of 1948.

Amendment
of section
17.

7. In section 17 of the principal Act,—

(i) in sub-section (1)—

(a) for the words, brackets and figures "An appeal against a direction made under sub-section (3) or sub-section (4) of section 15", the following shall be substituted, namely:—

"An appeal against an order dismissing either wholly or in part an application made under sub-section (2) of section 15, or against a direction made under sub-section (3) or sub-section (4) of that section";

(b) for the words "the direction", the words "the order or direction" shall be substituted;

(c) for clause (b), the following clause shall be substituted, namely:—

"(b) by an employed person or any official of a registered trade union authorised in writing to act on his behalf, if the total amount of wages claimed to have been withheld from the employed person or from the unpaid group to which the employed person belonged exceeds fifty rupees, or"; and

(ii) for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) Save as provided in sub-section (1), any order dismissing either wholly or in part an application made under

sub-section (2) of section 15, or a direction made under sub-section (3) or sub-section (4) of that section shall be final.”

8. After section 17 of the principal Act, the following section shall be inserted, namely:—

“17A. (1) Where at any time after an application has been made under sub-section (2) of section 15 the authority, or where at any time after an appeal has been filed under section 17 by an employed person or any official of a registered trade union authorised in writing to act on his behalf the court referred to in that section, is satisfied that the employer or other person responsible for the payment of wages under section 3 is likely to evade payment of any amount that may be directed to be paid under section 15 or section 17, the authority or the court, as the case may be, except in cases where the authority or court is of opinion that the ends of justice would be defeated by the delay, after giving the employer or other person an opportunity of being heard, may direct the attachment of so much of the property of the employer or other person responsible for the payment of wages as is, in the opinion of the authority or court, sufficient to satisfy the amount which may be payable under the direction.

(2) The provisions of the Code of Civil Procedure, 1908, relating to attachment before judgment under that Code shall, so far as may be, apply to any order for attachment under sub-section (1).”

Insertion of a new section 17A.

Conditional attachment of property of employer or other person responsible for payment of wages.

G. R. RAJAGOPAL,

Addl. Secy. to the Govt. of India.

