

The Orissa Gazette



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SEPARATE PAPER IS GIVEN TO THIS PART IN ORDER THAT IT MAY BE FILED AS A SEPARATE COMPILATION

PART III

Statutory Rules, Orders, Notifications, Rules, etc., issued by the
Governor, Heads of Departments and High Court

DEPARTMENT OF STEEL & MINES

NOTIFICATION

The 17th June 1998

SUBJECT—GEMSTONE POLICY OF ORISSA, 1998

S. R. O. No. 304/98.—Formulation of a Gemstone Policy based on the experience gained and difficulties encountered in the implementation of the existing Policy laid down in the various Steel and Mines Department Notifications, circulars and letters issued under consideration of the Government at some time past.

1. Gemstone occurrences of different varieties are found mostly in the districts of Balangir, Sambalpur, Subarnapur, Kalahandi, Nawapara, Puri, Koraput and Angul etc. Find of gemstone in the late seventies attracted the attention of Government followed which the State Director of Mines and Geology deployed their geological exploration units during 1978-79 to assess the resources. Inances of clandestine extraction and illegal trading of gemstone also came to light during this period. Accordingly with a view to preventing these unlawful activities and developing the gemstone resources on a systematic and scientific basis, a set of instructions were issued in the then Mining and Geology Department letter No. 11728 & No. 11715, dated the 31st October 1981 in which the Orissa Mining Corporation (OMC) was authorised to take up exploration mining in the districts of Balangir, Sambalpur and Dhenkanal as an agent of the State Government. The area of operation was subsequently extended to other districts.

2. In 1986 the State Government reserved certain areas in the State districts of Balangir, Sambalpur and Kalahandi by notifications for exploitation by the Public Sector (OMC) under the then Rules of the Mineral Concession Rules, 1960 (deleted) for M. C. Rules, 1960 by an amendment in the 13th April 1986. Subsequently several Notifications were issued under Rule 75 (2) during 1988 and thereafter appointing (OMC) as an agent of the State Government to operate in these areas. OMC was also authorised to form joint sector Companies and hold 51% share therein. The Notification issued during 1988 further stipulate that Orissa Mining Corporation would sell gemstones to Joint Sector Companies with a view

Corporation of Orissa Ltd. (GEMCO) was formed on the 4th January, 1989 and OMC was authorised to open purchase centres to procure gemstones from the local people in order to check smuggling. Royalty was assessed on the purchase price paid by OMC. PL/ML for gemstone was granted to OMC alone in the areas reserved for the purpose. In 1991, exploration scheme was launched with UNDP assistance to identify and assess the availability of gem bearing area.

3. GEMSTONE POLICY 1994

3.1. In 1994 a new Gem Policy based on the experience gained and difficulties encountered was formulated by Government in Steel & Mine Department and announced in Notification No. 49 dated the 1st January 1994. It outlined the following provisions:—

- (I) Agency of the OMC would be withdrawn limiting it only to cases where illegal mining is detected.
- (II) OMC would undertake prospecting and/or commercial mining of the areas held by it on PL/ML either on its own or sub-lease the same to joint venture or assisted companies for similar purpose.
- (III) Director, Mining & Geology would prepare a list of gemstone bearing areas to be reserved for prospecting by the Directorate.
- (IV) Out of the areas so reserved, the areas having promising gemstone potential would be given to OMC on ML.
- (V) The areas not taken by OMC would be thrown open to private parties.
- (VI) Applications of private parties for grant of ML would be considered under certain terms and conditions.
- (VII) The daily collection of gemstones would be properly accounted for and kept in safe custody.
- (VIII) Every two months, the total collection of gemstones should be opened before a committee and valued.
- (IX) OMC may operate purchase centres or authorise an assisted/Joint Venture Company to operate the same to procure gemstones from private individuals who find them in their private land.
- (X) Royalty would be calculated on the sale price at "pit's mouth value" which is the price at which gemstones are sold by the offerer.
- (XI) The implementation of this policy would be reviewed every two months.

4.1. The Gemstone Policy, 1994 did not achieve the desired results due to following reasons:—

- (i) Under the Policy a poor farmer or villager getting a piece of gemstone could sell it only to OMC whose representatives are not readily accessible and who take their own time for assessment of value and payment. As such, he is forced to sell it clandestinely at throwaway price through a middleman who took it away and sold it at higher price at centres of gemstone trade. This transaction deprived the finder of a legitimate price for the gemstone and the Government of the royalty. The clandestine trade only benefited the middleman and lower level officials to the detriment of the finder and the Government.
- (ii) Large scale scientific and commercial exploitation of the gem-bearing areas through public or private sector did not take place. The only joint venture exploiting a limited lease-hold area also did not achieve the desired results. Due to lack of exploitation of gem-bearing tracks, the State Government have not been able to benefit from this sector. In fact, the royalty received annually from gemstone is only of the order of Rs. 4.5 lakhs which can increase manifold through a rational policy of wide scale exploitation of gemstone-bearing areas.
- (iii) Lapidary units for cutting and polishing of gemstones which would have provided local value addition, large scale employment and income to the State Exchequer became a casualty of the policy. Under the prevailing regime of clandestine extraction and illegal trading of gemstone, genuine entrepreneurs waiting raw materials for the lapidary units were completely starved. A few lapidary units that come up in the State closed down for want of raw-materials.

4.2. Accordingly the State Government, in 1996, formed a Committee under the Chairmanship of the Commissioner-cum-Secretary, Department of Steel & Mines to recommend measures for formulation of a new policy with the following objectives:—

- (i) to ensure higher income for the State from mining of gemstone and local lapidary units
- (ii) to ensure greater employment through gemstone mining, cutting and polishing activities
- (iii) to stop clandestine extraction and trading and ensure higher income to Government and poor villagers.
- (iv) to ensure transparency in the matter of grant of lease/licence for extraction and trading of gem tones.

5. LEGAL FRAMEWORK.

5.1. Gemstone is not the "specified mineral" indicated in the First Schedule of Mines and Mineral (Regulation and Development) Act 1957. In the first schedule, only "Precious stones" have been mentioned as major mineral requiring prior approval of Government of India for grant of PL/ML. The MMRD Act however, does not define precious stones. The gemstones found in Orissa in general are of "semi-precious varieties" and as such do not come under specified minerals listed in Schedule-I of the Act. Accordingly, the State Government is competent to grant PL/ML in respect of such gemstones without prior approval of Government of India. However, if precious stones are found during mining operation, the necessary approval is to be obtained by the lessee as per the provisions of MMRD Act and MC Rules.

5.2. Under the UNDP Project 28 gem-bearing tracts have so far been identified. Out of this 18 gem-bearing tracts have been prospected, 11 by the Directorate of Mining & Geology (DMG) and 7 by OMC. Although OMC holds PL/ML in 8 gem-bearing areas already prospected as indicated above and have applied PL in other areas in the State reserved for them, it is not possible for OMC to exploit all such areas. Government would therefore decide the tracts to be given to OMC under Mining lease for exploitation either by OMC itself or through joint ventures. The other tracts would be opened for exploitation by private parties.

6. PARAMETERS OF THE NEW POLICY

The Committee formed by the State Government to recommend measures for the new policy, has given its report in which the recommendations include:—

- (a) throwing open 18 prospected tracts to prospective entrepreneurs including OMC for grant of mining lease.
 - (b) time-bound exploration programme for the unprospected areas
 - (c) continuance of OMC as agents of the State Government for the unprospected areas and granting of contract/sub-lease to entrepreneurs under OMC for exploitation of the areas.
 - (d) selection criteria for parties for grant of mining lease.
 - (e) grant of trading licence to parties including lessees for purchase of gemstone from all available sources including tenants in a competitive manner.
 - (f) system of assessment of royalty on pre-determined pit's mouth value, etc.
- 6.2. The State Government have carefully considered the prevailing policy, the legal framework, recommendation, of the Committee, etc. and keeping in view the over all Development of gem tone resources in the State are pleased to lay down a new Gemstone Policy, 1998, as described in the following paragraphs.

6.3. All the gem tone areas can be divided into 3 categories,—

- (a) 18 gem-bearing tracts which have been identified and prospected by DMG and OMC under UNDP Project.
- (b) Remaining 10 tracts identified under UNDP Project where prospecting has started but not completed.
- (c) Other areas in the State which have not at all been prospected so far.

6.4. Of the gem-bearing tracts already explored (presently eighteen), Government would decide the tracts to be given to OMC under Mining lease. The balance tracts would be dereerved and thrown open for grant of mining lease to private parties.

As indicated at Para-6.3 (b), prospecting of 10 gemstone bearing tracts identified under the UNDP Project has been started and is expected to be completed shortly. The Director, Geology/OMC will be instructed to complete the prospecting work expeditiously. After prospecting is completed, these 10 tracts would be thrown open for grant as at para-6.4. At that time, OMC would continue to be the agent.

- 6.6. The 3rd category is the areas which have not been prospected so far as indicated at Para 6.3 (c). OMC may continue as an Agent of the State Govt. under Rule 75 (2) of MC Rules, 1960 till prospecting is completed over those areas. The areas not at all identified and prospected so far are located in Balangir, Sambalpur, Subarnapur, Kalahandi, Nawapara, Phulbani, Koraput and other districts. The Director, Geology will chalk out a time frame within which the prospecting of these areas will be completed along with OMC. As soon as the prospecting is completed, it will be thrown open for grant of ML as at para-6.4.

7. SELECTION CRITERIA FOR GRANT OF MINING LEASE:

Preference in grant of ML would be given to the parties on the following parameters:—

- (a) The financial standing of the party including a commitment that it will put in an investment of atleast Rs. 100 lakhs within the specified period in the shape of plant and machinery/other processing facilities.
- (b) Technical expertise available with the applicants
- (c) Parties who have the experience of dealing with gemstone and processing thereof including lapidary operations.
- (d) OMC may be given preference subject to their ability to handle the areas.

8. CONDITIONS OF LEASE:

- (a) The mining lease will be granted for a period of 20 years
- (b) A lapidary unit will be set up within a period of 5 years from the date of execution of the lease.
- (c) Supply of gemstones to local lapidary units on preferential basis

9. TRADING LICENCES:

- 9-1. Gemstones are an important Foreign Exchange earner and it may contribute sizeable revenue to the State Exchequer. With this in view, the Committee has recommended introduction of Trading Licence for collection of gemstones inside the State.
- 9-2. Gemstones are minerals which come under the purview of Mines and Mineral (Regulation and Development) Act, 1957. Mining of such minerals from any land Government or private-owned, to mining under Section 4 (1) of MM (R. & D.) Act. No person can undertake prospecting or mining operations without taking PL/ML from Government over the area from which the gemstones are found. As such, any one other than a lessee finding a gemstone from an area outside the leasehold area had to surrender the same to Government. To encourage people finding gemstones from sporadic areas to surrender the same to Government, the State Government had adopted the policy (in notifications indicated under para. (1&2) that the finders would be paid 50% of the value of the gemstones by OMC which worked as the agent of Government for the entire State. Government allowed OMC to retain the gemstones on payment of royalty as per rules. However, this arrangement has not been very helpful as the finders in interior areas are tempted to sell the gemstones clandestinely to middle men operating in those areas and offering low but ready prices for the gemstones. OMC had been getting only Rs. 30-40 lakhs worth of gemstones per year through such purchases which is only an insignificant fraction of the total transactions. As such OMC has suspended its purchasing operations for the last two years. Accordingly, a more rational and workable arrangement has to be devised to enable the finders to freely sell the gemstones found anywhere from non lease hold areas to authorised licencees who would pay the royalty to Government for the same and be permitted to dispose of the gemstones in an open and transparent manner.

9.3 The best way to achieve this objective is to appoint a number of Trading Licences under the Orissa Minerals (Prevention of Theft, Smuggling and Unlawful Activities) Act, 1989 and also induct them simultaneously as sub-agents of OMC in respect of all non leasehold areas to which OMC continues as agent of the State Government. Under this arrangement, all lessees and selected persons/agencies with financial credibility and business experience, can be appointed as trading licences and sub-agents of OMC to collect gemstones from any finder and dispose of the gemstones in any manner they like after payment of royalty to Government. The finders can collect from any locality (outside the leasehold areas), for which OMC continues as agent of Government. This modification of the existing policy will induce competition among a number of trading licences to buy gemstones from the finders by paying a better price to them on competitive basis and ensure payment of proper royalty by the trading licences to State Government. The whole operation will become open and transparent, the finder will get a better price, the Government will get higher royalty and also substantial licence fees from the trading licences. Local lapidary units would also be able to purchase their requirement from the trading licences which they are not able to do at present due to prevailing clandestine operations. At any time, Government can part with a certain percentage/amount collected by them from license fees and royalty in favour of OMC, their agent, through budgetary mechanism.

9.4 As already mentioned, trading license for all minerals are granted by the competent Authority under Section 6 of the Orissa Minerals (Prevention of Theft, Smuggling and Unlawful Activities) Act, 1989. Rules have been framed for such purpose under Section 37 of this Act. To facilitate the arrangement mentioned above, the rules will be suitably amended to provide for appropriate trading licences for gemstones to lessees and other selected persons for procurement and disposal of gemstones from any non-leasehold areas under the following terms and conditions:—

- (a) Payment of an annual licence fee of Rs. 1 lakh
- (b) Security deposit of Rs. 1 lakh from each licensee (in shape of pledged certificates etc., interest on which will accrue to the licensee but in the event of forfeiture to the State).
- (c) A licensee should satisfy the following conditions:—
 - (i) he should be a lessee in respect of a gemstone bearing areas;
 - (ii) if he is a non-lessee, he should have good financial standing with appropriate registration under Sales Tax/Income Tax Act.

Among non-lessees, preference will be given to those who have gem processing units in the State or give a definite commitment for setting up such units inside the State within a period of 5 years.

9.5. Conditions of Licence:—

- (a) The licence will be granted initially for a period of one year which is renewable annually. For each renewal, the licensee would have to pay a licence fee of Rs. 1 lakh. Renewal can be made on satisfactory performance in terms of the provisions of Acts and Rules.
- (b) The licensee would pay royalty on the gemstones sold to him from different sources on the basis of the sale price determined as per rules. The assessing authority will verify the sale price from time to time to ensure that appropriate royalty is realised by Government. Subject to payment of royalty, the licensee can dispose of the stock in any manner he likes.

10. Royalty:—

10.1. Prior to the 11th April 1997, royalty on gemstones paid to State Government was calculated on the basis of sale price at pit's mouth as per the Second Schedule of the MM (RD) Act, 1957. This Act does not define the manner in which such sale price at pit's mouth is to be determined. State Government can formulate the modalities for fixation of this price. There are three ways in which it can be assessed.

- (a) by auction,

- (b) valuation by a group of experts including Government approved valuer, and
- (c) on pre-determined value

10.2 The Committee has suggested that the Joint Venture partners/lessees may not agree to dispose of and Government cannot force them for sale the gemstone produced/purchased by them through open auction. On the otherhand, valuation by a Group of Experts as envisaged in 1994 Policy encountered several difficulties particularly in respect of reasonableness of the valuation of the material and delay in valuation. In all fairness of things, valuation should be transparent. But gemstone trading does not lend itself to the type of transparency consistent with public service accountability.

Besides, it may not be practical and economically feasible to form a large number of Valuation Committees to value the gemstone on day to day basis for a large number of lessees and trading licences through out the State.

10.3 The said Committee has, therefore, suggested to assess advance royalty "on pre-determined pit mouth value basis" and appointed a Sub-Committee consisting of Director, Mines and Director, Geology, GM (Geology) OMC and one Deputy Director, Geology to suggest the "pit's mouth value" of different grades of various gemstones. The Sub-Committee's recommendation, which have been accepted by the State Government for the valuation of different grades of various gemstones taking into account the sale price of gemstones, auctioned in the past by OMC suggested price of GSI and information on this collected from different Gem Trading Agencies are at Annexure-I.

10.4 A Lessee/Trading Licencee will be allowed to dispose of his gemstones in the normal course of business. He will pay advance royalty at the rate prescribed by Government of India on the basis of self-assessment at the rate of "pre-determined pit's mouth value" indicated in Annexure-I. The advance royalty will be adjusted when the ultimate sale price is determined under the guideline issued by Government of India/State Government. This kind of advance royalty discipline needs to be enforced since, at present, most of the gemstones are sold outside the State and it might take considerable time and effort to reach a conclusion regarding the sale price on the basis of which royalty would be recovered from the parties. The Government will not put any hindrance in the free movement of goods but can make periodic checks. The pit's mouth value indicated in Annexure-I would be reviewed after a year by a Committee.

11. The new Gemstone Policy, 1998 enumerated above is expected to have the following advantages:—

- (i) Opening up of the gemstone tracts will ensure large scale scientific exploitation of resources resulting in higher employment and royalty.
- (ii) The lessees would be able to gradually set up lapidary units inside the State for value addition and other local lapidary units would be able to procure raw material from the lessees as well as the trading licencees. All these would help create greater employment and generate higher revenue through sales tax etc. on value added products.
- (iii) Introduction of trading licencees will encourage entrepreneurs/businessmen to carry out free trade in gemstone and stop clandestine activities and smuggling. Competition by many trading licencees to purchase from finders will ensure reasonable higher price to the latter. Besides, considerably higher trading licence fee will add to the Government income in addition to royalty from the licencees.
- (iv) This policy will bring about transparency and openness to exploitation of gemstone resources in the State while augmenting employment and State resources.

12. The Gemstone Policy of Orissa 1998 will come into effect from the date of issue of the Notification.

By order of the Governor

SANTOSH NAUTIYAL

Principal Secretary to Government
Department of Steel & Mines

Annexure

PIE MOUTH VALUE (PMV) OF GEMSTONE FOR FIXATION OF ROYALTY

Sl. No.	Name of the Gemstone	Colour other characters	Price range per gram in Rupee
(1)	(2)	(3)	(4)
1	Ruby (I grade)	Purplish red/flawless transparent	More than 1 carat 6,000 Less than 1 carat 200
2	Ruby (II grade)	Purplish red with slight flaw and less transparency.	25
3	Ruby/Corundum (III grade)	Purplish to reddish, translucent to opaque.	2
4	Sapphire (I grade)	Dark blue to blue, transparent flawless.	More than 1 carat 6,000 Less than 1 carat 200
5	Sapphire (II grade)	Dark blue to bluish, Violet blue with slight flaw and less transparency.	5
6	Sapphire/Corundum (III grade)	Bluish, translucent opaque ..	2
7	Alexandrite (I grade)	Clean, transparent with sharp colour change from green to violet/red.	1,500
8	Alexandrite (II grade)	Semi transparent to translucent with less sharp colour change from green to violet/red.	500
9	Emerald (I grade)	Dark green, transparent, Flawless.	5,000
10	Emerald (II grade)	Dark green to light green with less transparency and flaw.	200
11	Green beryl (III grade)	Dark green to light green, translucent to opaque.	50
12	Aquamarine (I grade)	Bluish to sea green transparent, without flaw.	More than 10 grams 400
13	Aquamarine (II grade)	Bluish to greenish and lighter shades, semitransparent.	50
14	Aquamarine (III grade)	Fractured ..	2
15	Chrysoberyl, Cat's eye (I grade)	Yellowish green, transparent with chatoyancy, eye effect.	More than 1 gm. 1,500
16	Chrysoberyl (II grade)	Yellowish green, transparent to semitransparent.	150
17	Chrysoberyl (III grade)	Greyish, greenish, translucent to opaque.	3
18	Rhodolite Garnet	Reddish-purple, transparent without flaw	More than 2 gms. 10

(1)	(2)	(3)	(4)	(5)
19	Garnet	..	Red, transparent without flaw	1 gm. 0.50
20	Garnet	..	Pink	1.50
21	Garnet	..	Pinkishred	5
22	Garnet	..	Honey yellow to yellow brown	Big size 2 Small size
23	Topaz	..	Coloured, Clean	More than 2 gms. 1.50
24	Topaz	..	Coloured fractured	1
25	Topaz	..	Colourless fractured	0.10
26	Others	..		0.10
27	Iolite	..	Blue, transparent flawless	More than 5 gms. 6
28	Iolite	..	Fractured	0.10
29	Sillimanite, Cat's eye (Fibrolite)	..	Grey with cat's eye effect aboshon grade.	2
30	Moon stone (I grade)	..	Milky, fairly transparent with chatoyancy.	1
31	Moon stone (II grade)	..	Milky, translucent to opaque with/without chatoyancy.	0.50
32	Amethyst	..	Violet	0.50
33	Apatite	..	Blue, greenish, blue transparent	0.50
34	Tourmaline	..	Blue, green, transparent flawless	10
35	Citrine	..	Yellow, transparent flawless	0.50
36	Smoky quartz	..	Grey flawless	0.50
37	Rock crystal (quartz crystal)	..	Colourless, transparent flawless	0.10

N. B.—The rate of Gemstone will increase of weight & size.

OFFICE OF THE COMMISSIONER OF
COMMERCIAL TAXES, ORISSA, CUTTACK

NOTIFICATION

The 28th June 1998

S. R. O. No. 308/98—In exercise of the powers conferred on me under the proviso to Rules 20 and 26 of the Orissa Sales Tax Rules, 1947, I, Shri A. K. Samantray, I. A. O., Commissioner of Sales Tax, Orissa, Cuttack do hereby annul the order for filing monthly return in case of the following dealer with effect from the 1st July 1998 and ordered that the said dealer shall furnish quarterly returns.

2. Notification No. 2510-CT., dated the 20th January 1988 in which the following dealer was directed to file monthly returns is hereby modified in so far as it relates to him.

CUTTACK II CIRCLE

M/s. Kalinga Packers Private Ltd. R. C. C. U-11
4254, Jagatpur.

[No. 12331—III(XIII)96/97-C.T.

A. K. SAMANTRAY

Commissioner of Sales Tax,
Orissa, Cuttack

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The Orissa



Gazette

EXTRAORDINARY
PUBLISHED BY AUTHORITY

No. 1458 CUTTACK, THURSDAY NOVEMBER, 12, 1998/KARTIKA 21 1920

DEPARTMENT OF STEEL AND MINES

NOTIFICATION

The 10th November 1998

S. R. O. No. 63/98—In exercise of the powers conferred by Section 37 of the Orissa Minerals (Prevention of Theft, Smuggling and other Unlawful Activities) Act, 1989 (Orissa Act 23 of 1989), the State Government do hereby make the following rules to amend the Orissa Minerals (Prevention of Theft, Smuggling and other Unlawful Activities) Rules, 1990, namely:—

1. (1) These rules may be called the Orissa Minerals (Prevention of Theft, Smuggling and other Unlawful Activities) Amendment Rules, 1998.

(2) They shall come into force on the date of their publication in the *Orissa Gazette*.

2. In the Orissa Minerals (Prevention of Theft, Smuggling and other Unlawful Activities) Rules, 1990 (hereinafter referred to as the said rule), in rule 2, after clause [b] the following new clause shall be inserted, namely:—

"[b-1] OMC means the Orissa Mining Corporation"

3. In the said rules, in sub-rule 1 of Rule 3, for the words "each type of ores/minerals" the words "for any or group of minerals" shall be substituted.

4. In the said rules in sub-rules (2) of Rule 3, for clause (i) the following clause shall be substituted, namely:—

"(i) a fee of Rs. 100 lakh (Rupees one lakh) only for precious and semi-precious stones and Rs. 5000 (Rupees five thousand) only for other minerals payable through treasury challan and deposited under Head of Account No. 0353—Non-Ferrous Mining and Metallurgical Industries—102—Miscellaneous Fees and Royalties";

and in sub-rule (v) the following new clause shall be added, namely:—

"(v) in the case of gem stones to the effect that he is willing to act as a sub-agent of O.M.C. for purchase of precious and semi-precious stones (Gem stone) from the finders in the household areas and obtain a letter of authorisation to that effect."

5. In the said rules, in rule 5—

(i) for sub-rule (1) the following sub-rule shall be substituted, namely:—

“(1) After the enquiry, the Competent Authority shall, within 2 (two) months from the date of receipt of the application, either grant a licence to the applicant on the conditions specified in rule 7 for a period not exceeding one year at a time for all minerals including precious and semi-precious stones (Gem stone), or refuse to grant the licence as he considers fit.”

and

(ii) for sub-rule (3) the following sub-rule shall be substituted, namely:—

“(3) In case of refusal/rejection of the application, Rs./500 (Five hundred) only of the application fee shall be deducted and the rest amount shall be refunded to the applicant.”

6. In the said rules, in rule 6,—

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

“(i) The licensee shall deposit an amount of Rs.100 lakh (Rupees one lakh) only for precious and semi-precious stones (Gem stone) and Rs. 5000 (Rupees five thousand) only for other minerals as security deposit in shape of postal savings account duly pledged to the competent authority for observance of the terms and conditions of the licence, provided that the Government, may by a general or special order, exempt any Grama Panchayat, a Co-operative Society, the Orissa Tribal Development Co-operative Corporations and any other Government Undertakings from depositing the said security amount and in the event of cancellation of the licence on account of breach of the terms and conditions, the security deposit as well as the interest accrued on the security deposit will be forfeited.

(2) for clause [iv] the following clause shall be substituted, namely:—

“(iv) The licensee shall submit copies of the above forms duly maintained for every month within the 1st week of the succeeding month to the competent authority and in case of gem stones submission shall also be made to the Orissa Mining Corporation.”

and

(3) after clause (vii), the following new clause shall be added, namely:—

(vii) The licensee shall carry on trading of precious and semi-precious stones (Gem stone) as a sub-agent of O.M.C.”

7. In the said rules for rule 7 the following rule shall be substituted, namely:—

“7. The license can be renewed further for not more than one year for each term on application in the prescribed form and on payment of renewal licence fee of Rs. 100 lakh (Rupees one lakh) for precious and semi-precious stones and Rs. 500/- (Rupees five thousand) only for other minerals to be deposited in a Government Treasury under the Head of account mentioned in sub-rule (2) of rule 3.”

8. In the said rules in sub-rule (2) of rule 9 for the words “rupees twenty-five” the words “rupees fifty only” shall be substituted.

9. In the said rules in sub-rule (2) of Rule 13 for the words, figure and brackets “Rs. 200 (Rupees two hundred) only” the words, figures and brackets “Rs. 500, (Rupees five hundred) only” shall be substituted.

10. In the said rules in sub-rule (2) of Rule 21 for the words, figures and bracket Rs. 200 (Rupees two hundred) only” the words, figures and brackets “Rs. 500 (Rupees five hundred) only” shall be substituted.

[No. 9527—XIV-SM-20/98-SM.]

By order of the Governor

S. NAUTIYAL

Principal Secretary to Government

DEPARTMENT OF STEEL AND MINES
NOTIFICATION

The 10th November 1998

S. R. O. No. 699/98—In exercise of the powers conferred by Section 5 of the Orissa Minerals (Prevention of Theft, Smuggling and other Unlawful Activities) Act, 1989, (Orissa Act 23 of 1989) and in supersession of the notification of Government of Orissa in the Department of Steel and Mines bearing No. 8143—IV (E)-SM-9/91, dated the 15th July 1991, the State Government do hereby appoint the officers of the Department of Steel and Mines mentioned in Column (2) of the Schedule given below to be the competent authorities for the purposes of sub-sections (1) and (3) of Section 6, Section 7, sub-sections (1) and (3) of Section 8, Section 9 and Section 15 of the said Act who shall exercise jurisdiction within the local limits of the areas specified against each in Column (3) thereof in respect of minerals specified in Column (4).

Sl. No. (1)	Name of the Officers (2)	Jurisdiction (3)	Minerals (4)
1.	Directorate of Mines, Orissa	Entire State	Precious and semi-precious stones
2.	Deputy Director of Mines, Joda.	Champua Subdivision of Keonjhar.	All minerals excepting precious and semi-precious stones (Gem stone)
3.	Deputy Director of Mines, Keonjhar.	All other Subdivisions of Keonjhar district excepting Champua Subdivision.	All minerals excepting precious and semi-precious stones (Gem stone)
4.	Deputy Director of Mines, Koira.	Bonai Subdivision of Sundargarh district.	Ditto
5.	Deputy Director of Mines, Rourkela.	All other Subdivisions of Sundargarh district.	Ditto
6.	Mining Officer, Cuttack	Cuttack, Puri, Khurda & Nayagarh districts.	Ditto
7.	Deputy Director of Mines, Jajpur Road.	Jajpur, Jagatsinghpur & Kendrapara districts.	Ditto
8.	Deputy Director of Mines, Talcher.	Angul & Dhenkanal districts.	Ditto
9.	Deputy Director of Mines, Sambalpur	Sambalpur, Jharsuguda, Bargarh and Deogarh districts.	Ditto
10.	Mining Officer, Bolangir	Bolangir & Subarnapur districts.	Ditto
11.	Mining Officer, Bhanuapattna	Kalahandi and Nuapada districts.	Ditto
12.	Deputy Director of Mines, Koraput.	Nawarangpur, Rayagada, Malkanagiri and Koraput districts.	Ditto
13.	Mining Officer, Barampukur	Ganjam & Gajapati districts.	Ditto
14.	Mining Officer, Boudh	Boudh & Kandhamal districts.	Ditto
15.	Mining Officer, Bargarh	Bargarh, Balasore and Sundergarh districts.	Ditto

[No. 9530—NIV-SM-20-98-SM.]

By order of the Governor

S. NAUTYAL

Principal Secretary to Government

DEPARTMENT OF STEEL AND MINES

NOTIFICATION

The 10th November 1998

S. R. O. No. 700/98—In exercise of the powers conferred by sub-section (7) of Section 16 of the Orissa Minerals (Prevention of Theft, Smuggling and other Unlawful Activities) Act, 1989 (Orissa Act 23 of 1989), the State Government do hereby empower the Director of Mines, Orissa to exercise their powers under the said section in respect of all minerals other than precious and semi-precious stones (Gem stones).

[No. 9533—XIV-SM-20/98-SM.]

By order of the Governor

S. NAUTIYAL

Principal Secretary to Government

DEPARTMENT OF STEEL AND MINES

NOTIFICATION

The 10th November 1998

S. R. O. No. 701/98—In exercise of the powers conferred by sub-section (7) of Section 16 of the Orissa Minerals (Prevention of Theft, Smuggling and other Unlawful Activities) Act, 1989 (Orissa Act 23 of 1989), the State Government do hereby empower the Secretary, Department of Steel and Mines, to exercise powers under the said Section in respect of precious and semi-precious stones excepting other minerals.

[No. 9536—XIV-SM-20/98-SM.]

By order of the Governor

S. NAUTIYAL

Principal Secretary to Government

DEPARTMENT OF STEEL AND MINES

NOTIFICATION

The 10th November 1998

S. R. O. No. 702/98—In exercise of the powers conferred by sub-section (1) of Section 10 of Orissa Minerals (Prevention of Theft, Smuggling and other Unlawful Activities) Act, 1989 (Orissa Act 23 of 1989) and in supersession of the Notification of the Government of Orissa in Steel and Mines Department No. S140, dated the 15th July, 1991, the State Government do hereby appoint the Director of Mines as the Appellate Authority to whom the appeal shall be preferred against the orders of the competent authority passed under sub-section (3) of Section 6, Section 7, sub-section (3) of Section 8 and Section 9 in respect of all minerals excepting precious and semi-precious stones.

[No. 9539—XIV-SM-20/98-SM.]

By order of the Governor

S. NAUTIYAL

Principal Secretary to Government

DEPARTMENT OF STEEL AND MINES
NOTIFICATION

The 10th November 1998

S. R. O. No. 703/98—In exercise of the powers conferred by sub-section (1) of Section 10 of Orissa Minerals (Prevention of Theft, Smuggling and other Unlawful Activities) Act, 1989 (Orissa Act 23 of 1989) and in supersession of the notification of the Government of Orissa in Steel and Mines Department No. 8140, dated the 15th July, 1991, the State Government do hereby appoint the Secretary, Department of Steel and Mines, as the Appellate Authority to whom the appeal shall be preferred against the orders of the competent authority passed under sub-section (3) of Section 6, Section 7, sub-section (3) of Section 8 and Section 9 in respect of precious and semi-precious stones only.

[No. 9542—XIV-SM-20/98-SM.]

By order of the Governor

S. NAUTIYAL

Principal Secretary to Government

DEPARTMENT OF STEEL AND MINES
NOTIFICATION

The 10th November 1998

S. R. O. No. 704/98—In exercise of the powers conferred under Section 18 of the Orissa Minerals (Prevention of Theft, Smuggling and Other Unlawful Activities) Act, 1989 (Orissa Act 23 of 1989), the State Government do hereby empower the following officers of the Directorate of Mining and Geology, Orissa to exercise the powers under Section 18 of the Act.

Sl. No. (1)	Name of the Officers (2)	Jurisdiction (3)
1	All Deputy Directors of Mines	Within their respective jurisdictions
2	All Mining Officers ..	Ditto
3	All Assistant Mining Officers ..	Ditto
4	All Senior Inspector of Mines ..	Ditto

[No. 9545—XIV-SM-20/98-SM.]

By order of the Governor

S. NAUTIYAL

Principal Secretary to Government

DEPARTMENT OF STEEL & MINES

NOTIFICATION

The 10th November 1998

S. R. O. No. 709/98—The following Gemstone-bearing areas were reserved for exploitation in the Public sector in State Government's Notification No. 4644, dated the 4th April 1986—

Sl. No. (1)	Name of the Block & District (2)	Area (3)
1.	Block-I Biramaharaj-Chormal Badmal belt in Bolangir and Sambalpur district.	.. 530 sq. kms.
2.	Block-II Guchhapara-Anturala Bhutiabahal belt in Bolangir district.	.. 650 sq. kms.
3.	Block-IV Damjhar-Lanji-Amera of Kalahandi district	.. 526.30 sq. kms.
4.	Block-VI Jhilingdhar-Hinjilibahal-Orabahal Oraranga belt of Kalahandi district.	.. 41.44 sq. kms.

2. The State Government have now decided to dereserve the above Gemstone-bearing areas as follows :—

Sl. No. (1)	Name of the Block & District (2)	Area for which de-reservation proposed (3)
1.	Block-I Biramaharaj Chormal-Badamal belt in Bolangir and Sambalpur district.	.. 530 sq. kms.
2.	Block-II Guchhapara-Antarla-Bhutiabahal belt in the Bolangir district.	.. 650 sq. kms.
3.	Block-IV Damjhar-Lanji-Amera of Kalahandi district	.. 525.9605 sq. kms. excluding 0.3395 sq. kms. held by OMC for mining lease.

(1)

(2)

(3)

4 Block VI

Jhilingdhar-Hinjilibahal-Orabahal
Oraranga belt of Kalahandi
district.

40,509 Sq. Kms. excluding 0.931 Sq. Km.
held by O. M. C. for mining lease.

3. Boundary description of the area proposed to be dereserved is given below. It is therefore notified for information of the public that the said Gemstone bearing areas are now at the disposal of State Government for grant of mining lease for gemstones. Accordingly it is notified under Rule 59 (1) of M. C. Rules, 1960 that on and from 1st January, 1999, the said area will be available for regrant. The maps of the area are available in the offices of the concerned Mining Officers/Deputy Director of Mines for inspection. All applications for this area or any part thereof received prior to that date have and will be treated pre-mature and rejected.

SCHEDULE

(1) BLOCK I

Bira maharaj-Chormal-Badmal belt in Balangir and Sambalpur districts.

Boundary description—Boundary description of Bira maharaj-Chormal-Badmal belt to the extent about 380 Sq. Kms. in Balangir district and 150 Sq. Km. in Sambalpur district.

BLOCK I

Ref. : Topo sheet No. 64/D, 64/P, 73/C and 73/D
Scale 1"=4 miles or 1 : 2, 53,440.

The GTS 1646 of Chandiparbat is the reference point. The starting point 'A' is situated with a bearing of 90°-00' and at a distance about 5 Kms. from the reference point.

Western boundary (Part)—Starts from the Station 'A' and runs with a bearing of 180°-00' for a distance about 18 kilometres up to the northern bank of the Mahanadi River and meets the Station 'B'.

Southern boundary—Starts from the Station 'B' and runs along the northern bank of the Mahanadi River for a distance about 19 kilometres and meets the Station 'C'.

Eastern boundary—Starts from the Station 'C' and runs with a bearing of 0°-00' for a distance about 28 kilometre and meets the Station 'D'.

Northern boundary—Starts from the Station 'D' and runs with bearing of 270°-00' for a distance about 18 Kilometres and meets the Station 'E'.

Western boundary (part)—Starts from the Station 'E' and runs with bearing of 180°-00' for a distance about 12 kilometres and meets the starting points 'A'.

(2) BLOCK II

Guchhapara-Antarala-Bhutiabahal belt in the district of Balangir.

Boundary description—Boundary description of Guchhapara-Antarala-Bhutiabahal belt to the extent about 650 Sq. Kms. in Balangir district.

(2) BLOCK II

Ref.:—Topo sheet No. 64/P
Scale 1"=4 miles or 1 : 2, 53,440.

The GTS 1646 of village Bandhapara is the reference point.

The starting point 'F' is situated with a bearing of 15°-00' at a distance of about 2.50 kilometres from the reference point.

Eastern boundary—Starts from the Station 'F' and runs with a bearing of 270°-00' for a distance about 10 kilometres and meet the Station 'G'. Then the boundary moves with a bearing of 0°-00' for a distance about 4 kilometres and meet the Station 'H'.

Northern boundary—Starts from the Station 'H' and runs with a bearing of $270^{\circ}-00'$ for a distance of about 17.50 kilometres and meets the Station 'I'.

Western boundary—Starts from the Station 'I' and runs with a bearing of $180^{\circ}-00'$ for a distance of about 29 kilometres and meets the Station 'J'.

Southern boundary—Starts from the Station 'J' and runs with a bearing of $90^{\circ}-00'$ for a distance of about 27.50 kilometres and meets the Station 'K'.

Eastern boundary (part)—Starts from the Station 'K' and runs with a bearing of $0^{\circ}-00'$ for a distance of about 18.60 kilometres and meets the starting point 'F'.

BLOCK IV

Damjhar-Lanji-Amara belt of Kalahandi district.

Boundary Description—Boundary description of Damjhar-Lanji-Amara belt in Kalahandi district.
Area 525.9605 sq. Kms.

BLOCK IV

Ref. Topo sheet No. 64/L

Scale 1"=4 miles or 1:2, 53,440

The GTS 2411 of Guru dagger is the reference point. The starting point 'P' coincides with the reference point.

Western Boundary—Starts from the Station 'P' and runs with a bearing of $180^{\circ}-00'$ for distance about 19.50 kilometres and meets the Station 'Q'.

Southern boundary—Starts from 'Q' and runs with a bearing of $90^{\circ}-00'$ for a distance of 19.90 kilometres and meets the Station 'R'.

Eastern boundary—Starts from 'R' and runs with a bearing of $0^{\circ}-00'$ for a distance of 18.30 kilometres and meets the Station 'S' of the District boundary line of Kalahandi and Balangir Districts. Then from the Station 'S' the boundary line runs along the common district boundary of Kalahandi and Balangir for a distance about 16.60 kilometres and meet the Station 'T'.

Northern boundary—Starts from the Station 'T' and runs with a bearing of $270^{\circ}-00'$ for a distance of about 14.40 kilometres and meets the Station 'U'.

Western boundary (part)—Starts from the Station 'U' and runs with a bearing of $180^{\circ}-00'$ for a distance about 8.40 kilometres and meets the starting Station 'P'.

Note—Excluding the granted and executed M.L. area of M/s OMC Ltd. over an area of 33.50 Hects. or 0.3395 Sq. kilometres in village Palsada (Budhapara).

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(4) BLOCK VI

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Boundary description of Junagarh-Hinjibahal belt in Kalahandi district
Area 40.50 Sq. Kms.

ice of

Ref : Topo sheet No. 65/I
Scale 1"=4 miles or 1:2,53,440

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The GTS 1283 of Katapadar is the reference point. The starting point 'C' is situated with a bearing of 351°-30' and at a distance about 3.32 kilometres from the reference point.

Eastern boundary—Starts from the station 'C' and runs with a bearing of 0°-00' for a distance about 6.43 Kms. and meets the station 'D'.

Northern boundary—Starts from the station 'D' and runs with a bearing of 270°-00' for a distance of 6.43 Kms. and meets the station 'E'.

Western boundary—Starts from the station 'E' and runs with a bearing of 180°-00' for a distance about 6.43 Kms. and meets the station 'F'.

Southern boundary—Starts from the station 'F' and runs with a bearing of 90°-00' for a distance about 6.43 Kms. and meets the starting station 'C'.

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Note—The above description excludes the granted and executed M. L. areas over 0.574 Sq. Kms. in village Hinjibahal and Junagarh and 0.357 Sq. Kms. in village Jillingdhar of M/s. OMC Ltd.

[No. 9593—XIV-SM-20/98-SM]

By order of the Governor
S. NAUTIYAL
Principal Secretary to Government

