

GOVERNMENT OF TELANGANA
ABSTRACT

Mines & Minerals – New Sand Mining Policy - 2014 for the State of Telangana – Introduced - Orders – Issued.

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INDUSTRIES AND COMMERCE (MINES.I) DEPARTMENT

G.O.MS.No. 38

Dated: 12.12.2014.

Read the following :

- 1) G.O.Ms.No.24, Ind. & Com.(M.I) Department, dated 12-02-2007.
- 2) G.O.Ms.No.84, Ind. & Com.(M.I)Department, dated:10-04-2007.
- 3) G.O.Ms.No.142, Ind& Com.(M.I) Department, dated:13-10-2012.
- 4) G.O.Ms.No.154, Ind & Com(M.I) Department, dated:15.11.2012.
- 5) G.O.Ms.No.186, Ind. &Com.(M.I)Department, dated;17.12.2013.
- 6) G.O.Ms.No.63, Ind. & Com.(M.I) Department, dated:22.02.2014.

ORDER :

In the reference 1st read above, the subject matter "auctioning of sand" was transferred from Panchayat Raj Department to Industries and Commerce Department. Subsequently, suitable amendments to APMMC Rules 1966 were issued in respect of auctioning of sand and for regulation of sand quarrying in the State of Andhra Pradesh vide reference 2nd read above.

2. As per the orders issued in the reference 2nd read above, sand reaches were auctioned to the highest bidder. Subsequently, in view of the Supreme Court ruling in the case of Deepak Kumar vs State of Haryana and also since under the auction system, Government was not able to control the price or the leakage of revenues, orders were issued in the reference 3rd read above for allotment of sand reaches by draw of lots from eligible applicants, as amended relevant rules from time to time vide references 4th to 6th read above. However, this system also did not work well as there was a lot of leakage of revenue and Government did not get a boost as expected. Therefore, the Government felt that there is every need to review and revise the existing Sand Policy.

3. Accordingly, the Government after careful examination and consideration of the matter in detail, hereby introduces the New Sand Mining Policy-2014 for the State of Telangana. The Salient features of the New Sand Mining Policy-2014 are as follows:-

- (i) Sand is available in the State from (3) sources, viz., 1) Rivers and streams, 2) De-silting of Reservoirs and 3) De-casting of Private Patta Lands
- (ii) The Sand available from Rivers and streams is categorized into I to V order depending on size and capacity. In I-order streams, the source is small village stream or vagu while V-order would be large rivers like Krishna and the Godavari.
- (iii) Sand in I and II order streams will be left to the Local Body and Villagers for domestic needs, Government sponsored weaker section Housing schemes for which no seigniorage charges are collected. Extraction of sand from said order streams for construction of Local Body buildings like schools, community halls etc., will be allowed subject to payment of Seigniorage Fee by the consuming agency. The excavation and transportation of sand shall be manual and no mechanical means be allowed and no sand be transported outside the local jurisdiction.
- (iv) Sand in III, IV and V order streams will be allowed for exploitation subject to WALTA Rules and Regulations.
- (v) A preliminary identification of sand available in III, IV and V order streams will be done by the Mines and Geology Department in consultation with the Irrigation, Ground Water and Revenue Departments. These reaches will include left banks of Tungabhadra River, Krishna River including project backwaters, the Godavari river and its tributaries and all project de-siltation areas.

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- (vi) Based on preliminary identification, the District Level Committee under the Chairmanship of Joint Collector will meet and cause inspection of all stretches and give a feasible area report based on WALTA criterion. The feasible areas will be allotted to the Telangana State Mineral Development Corporation Limited (TSMDC) for excavation, regulation and supply of sand. The TSMDC will then obtain all statutory clearances like EC, Mining Plan, Environment Management Plan, CFE and CFO. Once PCB clearance is obtained extraction of sand can start.
- (vii) Sand available by way of de-silting of reservoirs will also be allowed to be exploitation. The same shall be identified in consultation with the Irrigation Department.
- (viii) The feasible sand reaches identified in the III, IV and V order streams as well as sand available under de-silting of reservoirs will be handed over to the TSMDC for extraction.
- (ix) The TSMDC will appoint raising contractors for the sand reaches identified under a strict competitive bidding process. The sand so excavated will be moved to stockyards managed by the TSMDC. The stockyards can be near the sand reach. Additional stockyards near urban habitations, especially the Municipal Corporations can also be created.
- (x) Sale of sand to all consumers, small, medium or large, will be from these stockyards. Sale of sand from these stockyards will be controlled by electronic surveillance (CCTVs) and electronic documentation linked to a central documentation monitoring facility. The way-bills for transportation of sand will have the security seal of the TSMDC and will be stamped with date and time. The vehicles will be tracked by way of GPS. Any sand lorry found without TSMDC way-bill will be illegal and the vehicle should be seized.
- (xi) The intention of the Government is to ensure adequate quantity of the right quality of sand is available at a reasonable price to the people of the State.
- (xii) Sand mining in tribal areas will be governed by the provisions of the Panchayats Extension to Scheduled Areas (PESA) Act of 1996, PESA Rules of 2011 and the WALTA Act Rules of 2004.
- (xiii) The present system for sand permits in Patta lands shall continue, but with more rigorous vigilance and inspections. The demarcation of Patta lands has to be done very accurately and further ensured that no mining takes place outside the Patta lands. If ad valorem rate of seigniorage is imposed, the TSMDC rate will be the bench mark for seigniorage charges for Patta lands also.
- (xiv) The Government shall fix the rates and revise the rates of Seigniorage Fee as per the situation/demand warrants.
- (xv) Rock sand is a good alternative to natural sand. Availability of rock sand will reduce the pressure on natural sand which is not found abundantly in the State of Telangana. The technical viability of Rock Sand has been established without doubt. In fact L&T has been using rock sand for the Hyderabad Metro-Rail Project.
- (xvi) Rock sand manufactured can be accorded industry status as long as the unit manufactures 100% rock sand. Right now only 20% of the capacity is being used for manufacture of Rock Sand. VAT and power subsidy can be extended prospectively. Regular incentives can be given for new units.
- (xvii) In addition, preference in quarry lease allotment will be given for units manufacturing Rock Sand. Existing Stone Crushers can be accorded ancillary status provided the crusher rock sand is certified by ISO/NAC/NCCMB.
- (xvii) Government Departments shall be mandated to use at least 50% of Rock Sand in Government constructions.

4. In accordance with the New Sand Mining Policy-2014 necessary Rules under Section 15(1) of M&M(D&R) Act, 1957 will be issued separately.
5. All notifications/orders issued earlier for allotment of sand reaches, if any shall be regulated in accordance with the New Sand Mining Policy-2014.
6. The Government may review the Sand Policy in future as and when required from time to time and issue the Guidelines/amendments accordingly.
7. The policy shall come into force with immediate effect.
8. The Director of Mines and Geology, Hyderabad shall take further necessary action in the matter accordingly and make necessary arrangements for wide publicity of the policy.

[BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA]

K. PRADEEP CHANDRA
SPECIAL CHIEF SECRETARY TO GOVERNMENT AND
COMMISSIONER FOR INDUSTRIAL PROMOTION

To
The Director of Mines and Geology, Telangana State, Hyderabad
The Vice Chairman & Managing Director,
Telangana State Mineral Development Corporation Ltd., Hyderabad.
All the District Collectors/Joint Collectors in the state of Telangana
through Director of Mines and Geology, Hyderabad.
The Irrigation & CAD Department.
The Panchayat Raj & Rural Development Department
The Revenue Department.
The Commissioner of Panchayat Raj, Hyderabad
All the Departments of Telangana Secretariat.
Copy to :
P.S. to Principle Secretary to the Hon'ble Chief Minister.
P.S. to Hon'ble Minister for Mines and Geology.
P.S. to Hon'ble Minister for Panchayat Raj & Information Technology.
P.S. to Hon'ble Minister for Irrigation.
P.S. to Chief Secretary to Government.
P.S. to Special Chief Secretary to Government & CIP, Ind & Com Dept.
P.S. to Secretary to Government, Ind & Com Dept.,
The Joint Directors/Deputy Directors/Assistant Directors of Mines and
Geology Deptt., through the Director of Mines & Geology, Hyderabad.
The General Administration (Cabinet) Department.
Sf/Sc.

// FORWARDED :: BY ORDER//

SECTION OFFICER