

BALUCHISTAN MINERALS RULES, 2002
Second Edition November 2008

**TO IMPLEMENT PROVISIONS OF
NATIONAL MINERAL POLICY (NMP) 1995**

**PREPARED UNDER THE CONSULTANCY SERVICES
OF COMMONWEALTH SECRETARIAT
ECONOMIC AND LEGAL ADVISORY SERVICES DIVISION**

March 8th 2002

**WITH
ACT XXIV OF 1948**

**AND WITH
BALUCHISTAN MINOR MINERALS CONCESSION RULES, 2000**

**BALUCHISTAN MARBLE AND COAL MINERALS
(CONTROL OF MOVEMENT)
ORDINANCE, 1978**

**BALUCHISTAN MARBLE AND COAL
(Permit/rahdari Procedure) RULES, 1978**

**BALUCHISTAN MINING CONCESSIONS (ACQUISITION) ACT, 1973
(Baln: Act VIII of 1973)**

**GOVERNMENT OF BALUCHISTAN
DEPARTMENT OF MINES AND MINERALS**

FOREWORD

The Federal Government for many years has been attempting to formulate a National Mineral Policy to attract both foreign and local private risk capital to Pakistan's Mineral sector.

This attempt could not be materialized until 1995. In the month of September 1995, the National Mineral Policy having consensus of all provinces was approved by the Federal Cabinet for announcement.

With a view to implement the Policy, the Government of Pakistan approached the Government of Australia for provision of Technical Assistance with reference to Economic and Legal Advisory Services Division (ELAS), Commonwealth Secretariat (COMMSEC) for preparation of uniform Mining Concession Rules.

The existing regulatory regime, Balochistan Mining Concession Rules 1970, being considered unattractive to investors and to put in place a set of rules internationally competitive has been revised and updated. The Balochistan Mineral Rules, 2002 which have been enforced w.e.f. 8-3-2002, attract the interest of the investors on such matters as transparency, criteria for dealing with applications and the grant of Licenses and leases, expeditious decision making process, security of tenure, provision of adequate information on mineral titles, independent resolution mechanism etc., and to equitably meet the objectives of the investors as well as aspirations of the Government.

The Rules provide four types of mineral titles namely; Reconnaissance Licence, Exploration Licence, Mineral Deposit Retention Licence and Mining Lease.

Special provisions have been made for Small Scale Mining (Prospecting Licence and Mining Lease), in consequence of two meetings held on 13-9-2001 and 19-9-2001 by a Committee constituted by the Honourable Governor under the Chairmanship of Minister for Industries and Mineral Development for the purpose. Only editorial changes have been made in the existing rules while in some cases the existing rules have been retained as such. One time simple penalty of Rs.10% for non-payment of the royalty and other dues has been provided instead of compound penalty of Rs.12% and Rs.50, 000/-.

I warmly thank the ELAS team for preparation of these rules for Balochistan being a rich mineral province.

Thanks are as well due to the officers/staff of the Directorate of Mineral Development for laborious work in scrutiny/preparation of comments on all the three draft rules sent by ELAS team.

It is finally hoped that the book will definitely help and guide the members of the mining industry in observing the rules to their own benefit as well as the benefit of the conservation of the mineral wealth of Balochistan Province. The book will also be of great help to the officers and staff of the Mines & Minerals etc., as well as the lawyers who deal with the mining law.

**(MIR SHAHNAWAZ MARRI)
DIRECTOR GENERAL (TECH)
MINES AND MINERALS BALOCHISTAN,
QUETTA**

Dated Quetta, the
22nd April, 2002.

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EXTRAORDINARY

REGISTERED NO. S-2771



THE BALOCHISTAN GAZETTE

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NO. 13 QUETTA SATURDAY MARCH 9, 2002.

**GOVERNMENT OF BALOCHISTAN,
DEPARTMENT OF MINES AND MINERALS.**

NOTIFICATION.

Dated Quetta, the 8th March, 2002.

No. S.O(MR)4-6/2002. In exercise of the powers conferred by section 2 of the Regulation of Mines and Oil-Fields and Mineral Development (Government Control) Act, 1948, (XXIV of 1948) the Government of Balochistan is pleased to make the following Rules:-

PART I – PRELIMINARY

1. Short title, extent and commencement:- (1) These Rules may be called the Balochistan Mineral Rules, 2002.

- (2) They shall apply to the whole of Balochistan.
- (3) They shall come into force at once.

2. Definitions In these Rules unless there is anything repugnant in the subject or context:-

- (a) “assignee” means a person to whom a mineral title is assigned or transferred under these Rules;

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- (b) “associated mineral” means a mineral which is combined or associated with the mineral or minerals to which a mineral title relates in such circumstances that it is physically impossible to mine the mineral or minerals included in the mineral title without also mining the associated mineral;
- (c) “authorized officer”, in relation to any provision of these Rules, means a person delegated with the power under rule 4 (1)
- (d) “Rules of Business” means the Balochistan Government Rules of Business, 1976, as amended from time to time
- (e) “company” means-
 - (i) a company as defined in the companies Ordinance, 1984 (XL VII of 1984;
 - (ii) a body corporate formed by or under any law for the time being in force in Pakistan; or
 - (iii) a body corporate incorporated by or under the law of a country outside Pakistan relating to the incorporation of companies;
- (f) “concession” means prospecting licence or mining lease under rules 76 and 83.
- (g) “conditions” includes terms, limitations and stipulations;
- (h) “Constitution” means the Constitution of the Islamic Republic of Pakistan;
- (i) “Department” means a separate self contained administrative unit in the secretariat responsible for the conduct of business of mines and minerals of the Provincial Government in a distinct and specified sphere,
- (j) “Directorate General” means the section of the Department with responsibility for the grant of mineral titles and mineral concessions;
- (k) “drilling” means the perforation of the earth’s surface otherwise than by pitting, trenching or sinking a shaft, whether the hole is vertical, inclined or horizontal, and includes all operations for preventing the collapse of the sides of the hole or for preventing the hole from becoming filled with extraneous matter, including water;

- (l) “exploration” means intentionally to search for minerals, and includes the determination of their extent and economic value;
- (m) “exploration area” means the area of land, including its lateral limits, to which an exploration licence relates;
- (n) “exploration licence” means an exploration licence issued under Rule 28;
- (o) “exploration operations” means any operations carried on in connection with exploration, including any accessing, extraction or incidental winning of any mineral for the purpose of mineralogical examination, assaying, test work or marketability surveys;
- (p) “functions” includes powers and duties;
- (q) “good reconnaissance practices”, “good exploration practices”, or “good mining practices” means practices which are generally accepted internationally by persons involved in reconnaissance operations, exploration operations, or mining operations, as the case may be, as good, safe and necessary in carrying out such operations;
- (r) “Government” means the Government of Balochistan;
- (s) “Governor” means the Governor of Balochistan;
- (t) “group” in relation to minerals, means minerals declared in the Third Schedule to constitute a name of groups of minerals;
- (u) “in default” means in breach of any provision of these Rules or of any condition of a mineral title or a mineral concession;
- (v) “land” includes land beneath water and the subsoil of land;
- (w) “lateral limits” in relation to an area of land subject to a mineral title or a mineral concession, means the vertical lines passing through the sides by which that area is bounded;
- (x) “lessee” means the person or a company who is the holder of a mining lease and includes the successor in interest and the permitted assignee of such a person;

- (y) “licensee” means, an appropriate, person or a company who is the holder of a reconnaissance licence, an exploration licence, a mineral deposit retention licence or a prospecting licence and includes the successor in interest and the permitted assignee of such a person;
- (z) “licensing authority” means the Technical Head of the Directorate General of Mines and Minerals to whom applications for mineral titles or mineral concessions are to be submitted and who is empowered to grant mineral titles and mineral concessions pursuant to these Rules;
- (za) “mine” means-
 - (i) when used as a noun, any surface or underground excavation where any operation for the purpose of searching for or obtaining a mineral has been or is being carried on, and includes all works, machinery, tramway, ropeway and siding, whether above or below ground, in or adjacent or belonging to or appurtenant to a mine but does not include the manufacturing or processing plant; or
 - (ii) when used as a verb, means to carry on mining operations;
- (zb) “mineral” means all surface and sub-surface natural deposits of ores and metals and other metallic and non-metallic substances, but does not include-
 - (i) radioactive minerals necessary for the generation of nuclear energy
 - (ii) mineral oil; or
 - (iii) natural gas;
- (zc) “mineral agreement” means an agreement referred to in Rule 9;
- (zd) “mines committee” means the mines committee established under Rule 3;
- (ze) “mineral deposit retention licence” means a mineral deposit retention licence issued under Rule 39;
- (zf) “mineral operations” means exploration operations or mining operations or both;
- (zg) “mineral title” means a reconnaissance licence, an exploration licence, a mineral deposit retention licence or a mining lease;

- (zh) “mining area” means an area of land, including its lateral limits, to which a mining lease relates;
 - (zi) “mining lease” means a mining lease issued under Rules 49 and 83;
 - (zj) “mining operations” means any operations carried out in connection with the development of a mine, or the production of minerals from the mine, or both;
 - (zk) “Prospecting Licence” means a licence issued under Rule 78;
 - (zl) “reconnaissance area” means the area of land, including its lateral limits, to which a reconnaissance licence relates;
 - (zm) “reconnaissance licence” means a reconnaissance licence issued under Rule 20;
 - (zn) “reconnaissance operations” means any operations carried on in a general search for any mineral by means of aerial sensing techniques, including geophysical surveys, photo geological mapping or imagery carried on from the air, and reconnaissance shall be construed accordingly;
 - (zo) “registered mine surveyor” means a mine surveyor who is registered by the licensing authority pursuant to rule 65;
 - (zp) “retention area” means the area of land, including its lateral limits, to which a mineral deposit retention licence relates;
 - (zq) “Schedule” means any of the Schedules annexed to these Rules;
 - (zr) “Secretary” means the Secretary to the Department and such term shall include any person within the meaning of the term as defined in clause (XX) of Rule 2 (1) of the Rules of Business;
 - (zs) “small scale mining” has the meaning given by rule 74.
-

PART – II ADMINISTRATION

(3) Mines Committee (1) There shall be a mines committee which shall advise the licensing authority in relation to such matters concerning the administration of these Rules with respect:-

- (a) to grant or renew a mineral title or a mineral concession;
- (b) to refuse to grant or renew a mineral title or a mineral concession;
- (c) to amend the terms or conditions of any mineral title or mineral concession;
- (d) to invite competitive bids pursuant to these Rules;
- (e) to grant a mineral title or mineral concession to a person in excess of the limit specified in rule 8;
- (f) to grant a mineral title or mineral concession in respect of an area of land exceeding the maximum limit specified in these Rules in relation to that title or concession;
- (g) to assign or transfer rights or interests to or in a mineral title or a mining lease (SSM);
- (h) in relation to any dispute referred pursuant to rule 14 (9) or (10);
- (i) in relation to any dispute between different holders of mineral titles, or mineral concessions arising out of or in connection with a mineral title, or mineral concession.

(2) The composition of the mines committee shall be as

follows:-

- (a) the Technical Head of the Directorate General of Mines & Minerals. **Chairman**
 - (b) the Director Licensing of the Directorate General of Mines Minerals or incharge of the relevant section. **Member**
 - (c) the Director Exploration and Promotion of the Directorate General of Mines & Minerals or incharge of the relevant section. **Member/ Secretary**
-

- (d) a representative of the Secretary,
Department of Mines and Minerals
not below the rank of Deputy Secretary. **Member**
- (e) a representative of Balochistan
Mine Owners Association (either President or
General Secretary) **Non-Voting
Member**

(3) The mines committee shall meet as often as may be necessary for transaction of its business but shall meet at least once in every two months.

(4) Minutes shall be recorded of all meetings of the mines committee and shall be signed by all members of the committee.

(5) Subject to the provisions of this rule, the mines committee shall determine its own procedure.

(6) The composition of the Committee may be altered by the Government by Notification in the official Gazette.

4. Power of Delegation (1) The licensing authority, may, by notification in the Official Gazette, delegate any of its functions under these Rules to such officer as named in the instrument of delegation.

(2) Nothing in sub-Rule (1) shall be construed as preventing the licensing authority from exercising any function delegated pursuant to that sub-Rule.

5. Confidentiality (1) Information disclosed under these Rules to the licensing authority or an officer employed in the Department shall not be disclosed to any person who is not the licensing authority or such an officer or employee of the Department without the prior written approval of the person who provided the information, except to the extent that.

- (a) disclosure is authorized or required by law;
 - (b) disclosure is required by order of a competent court, or for the purpose of any arbitration or litigation involving the Government;
 - (c) disclosure relates to information contained in the register referred to in Rule 10 (6) or 60;
-

- (d) disclosure is necessary to compile and publish official statistical information concerning the geology and mineral resources of Balochistan;
- (e) disclosure is for the purpose of –
 - (i) implementing these Rules or a mineral title, a mineral agreement or a mineral concession;
 - (ii) the formation of mineral policy or of giving advice to other Government departments or agencies; or
 - (d) any discussion or dealing with the Federal Government;
- (f) disclosure is effected with the prior permission in writing of the Secretary granted in respect of any matter which, in the opinion of the Secretary, is of a general nature and may be disclosed in the public interest; or
- (g) disclosure is in accordance with a relevant mineral agreement, mineral title or mineral concession.

(2) If any person employed in or by the Department uses, for the purpose of personal gain, any information disclosed under these Rules that comes to that person in the course of, or by reason of, that employment, that person is guilty of an offence and shall be subject to proceedings under the Government Servants (Efficiency and Disciplinary) Rules.

(3) The holder of a mineral title or a mineral concession shall not disclose information acquired by the holder as such except as provided in sub-Rule (3) of Rule 71 and in accordance with the mineral title, the mineral concession or the mineral agreement.

(4) Where a mineral title or a mineral concession ceases to have effect in relation to an area of land and the holder of the title or concession does not acquire a further title or concession over that area, the Government shall have the right to disclose any information which it has received from the holder in respect of that area.

6. Immunity of offices etc. No liability shall attach to an officer employed in or by the Department, the licensing authority or an authorized officer, in respect of the exercise or performance, or purported exercise or performance, in good faith, of any function under these Rules.

PART III – MINERAL TITLES AND MINERAL CONCESSIONS

Division 1 – General

7. Types of mineral titles and mineral concessions.(1) No person shall conduct exploration / prospecting operations, mining operations or reconnaissance operations except under a mineral title or mineral concession granted by the licensing authority pursuant to these Rules.

i. The following mineral titles may, subject to these Rules, be issued for the purpose of this Part, namely:-

- (a) reconnaissance licenses;
- (b) exploration licenses;
- (c) mineral deposit retention licenses; and
- (d) mining leases.

ii. The following mineral concessions referred to in Part IV may, subject to these Rules, be issued for the purpose of this Part, namely-

- (a) prospecting licence, and
- (b) mining lease.

8. maximum number of titles and concessions. Subject to Rule 3 (5), the maximum number of mineral titles or mineral concessions which may be issued to an applicant in respect of any particular mineral shall not exceed two unless the licensing authority is satisfied on reasonable grounds that circumstances exist which justify the grant of a mineral title or mineral concession in excess of this number in the interest of the development of the mineral resources.

9. Mineral agreements. (1) The Government may, at the request of a person proposing to carry on mineral operations, enter into an agreement, with that person relating to a mineral title, not inconsistent with these Rules or any other law, if the Government is satisfied that substantial foreign investment is likely to be made in mineral operations and that the carrying on of the undertaking in question is desirable in the interest of the development of the mineral resources of Balochistan.

(2) The federal Government may, at the request of the Government be a party to, and to the negotiation of, a mineral agreement.

(3) A mineral agreement may, in particular, make provision with respect to all or any of the following matters-

- (a) the grant, renewal, cancellation or transfer of a mineral title;
 - (b) minimum exploration operations to be carried on and related expenditure to be incurred for the purposes of those operations;
-

- (c) the formation of joint ventures;
- (d) the basis on which the fair market value of any mineral or group of minerals may, from time to time, be determined on an arms-length basis;
- (e) the payment of enhanced royalty in specified circumstances;
- (f) the payment of additional profits tax in specified circumstances;
- (g) the establishment in Balochistan of secondary and tertiary processing facilities;
- (h) guarantees to ensure the due and proper performance of the obligations of the holder of the mineral title;
- (i) financial and insurance arrangements;
- (j) the settlement of any dispute which may arise in the interpretation or application of any provision of a mineral agreement by a sole expert or through international arbitration;
- (k) co-ordination of exploration or mining operations to be carried on by the person concerned under an exploration licence or a mining lease with any such operations carried on by the holder of an exploration licence or a mining lease in any neighboring exploration area or mining area; or
- (l) other matters relating to mineral operations as the Government may determine or as the parties to the agreement may consider necessary.

(4) Where the Federal Government is a party to a mineral agreement, the agreement may contain provisions with respect to any matter for which the Federal Government has executive authority under the Constitution.

(5) Any provision contained in a mineral agreement which is inconsistent with any provision of these Rules or any other law shall, to the extent of the inconsistency, be of no force or effect.

(6) Nothing contained in a mineral agreement shall be construed as absolving any party thereto from complying with any requirement laid down by law or from applying for, and obtaining, any licence, approval, permission or other document required by law.

(7) For the purpose of determining under sub-Rule (1) whether substantial foreign investment is likely to be made in any particular case, the Government shall have regard to-

- (a) the likely scale of the capital investment to be made;
-

- (b) the expenditure and work programme proposed by the applicant;
- (c) in the event of a commercial discovery-
 - (i) the likely scale of operations; and
 - (ii) the likely infrastructure to be required;
- (d) the mineral or group of minerals to which the mining title, if granted, would relate and the potential for export of that mineral or group;
- (e) the techniques to be used for the recovery of that mineral or group;
- (f) the technical and financial capabilities of the applicant for a mineral title; and
- (g) other factors relevant to making that determination.

10. Applications for a mineral title or a mineral concession- (1) An application under this Part for a mineral title or a mineral concession or for any renewal or amendment thereof-

- (a) shall be made in writing to the licensing authority;
- (b) shall be in the respective forms set out in the Seventh Schedule or in such other form as may be approved by the licensing authority;
- (c) shall be accompanied by the fee specified in the First Schedule in respect of the application in question or such other fee as may be notified by the Government in the Official Gazette;
- (d) shall be accompanied by such information, which in the opinion of the licensing authority, is relevant to the application;
- (e) may be withdrawn by the applicant by notice in writing to the licensing authority.

(2) Subject to these Rules, where more than one application is made in respect of the same area of land, the applications shall be considered in the order in which they are received by the licensing authority.

(3) Applications received on the same date shall be deemed to have been received simultaneously.

(4) On receipt of an application under this Part, the licensing authority shall note thereon the date and time of its receipt and shall issue to the applicant, an acknowledgement stating such date and time, the postal acknowledgement and the documents received.

(5) Subject to these Rules, the licensing authority may grant, on such conditions as may be determined in writing by the authority, or refuse, an application under this Part.

(6) The licensing authority shall maintain a separate register of applications for mineral titles and mining concessions specifying:-

- (a) the number of the application;
- (b) the date and time of its receipt;
- (c) the name and address of the applicant;
- (d) whether the applicant is a national of Pakistan or a company incorporated in Pakistan;
- (e) the mineral for which a mineral title or mineral concession is required;
- (f) the period for which the mineral title or mineral concession is required;
- (g) the district or districts in relation to which a mineral title or mineral concession is required;
- (h) the place and total area applied for ;
- (i) whether the application fee is paid;
- (j) the final disposal of the application;
- (k) the date of application for amendment to the mineral title or mineral concession;
- (l) the date of application for any assignment or transfer of the mineral title or the mineral concession; and
- (m) such other information as the licensing authority considers necessary.

(7) An applicant who is not a national of Pakistan shall furnish with the application, an undertaking that the applicant will abstain from all political activity whatsoever affecting the sovereignty or security of Pakistan or which may be tantamount to interference in Pakistan's internal affairs and in particular, that the applicant will refrain from espionage.

11. Power of licensing authority in respect of application- (1) On receipt of an application, the licensing authority shall:

(a) as far as possible before granting the mineral title or mineral concession applied for, ascertain that the area to which the application relates does not overlap with any other area already covered by a mineral title or mineral concession; and

(b) if there is such overlapping, refuse to grant the mineral title or mineral concession.

(2) The licensing authority may at any time after the receipt of an application under this Part, require the applicant by notice in writing to furnish the licensing authority within such reasonable period as may be specified in the notice with such information as may be described in the notice, as the authority may deem necessary for purposes of considering the application;

(3) In order to enable the licensing authority to consider any application under this Part, the authority may-

(a) cause such investigations or negotiations to be made or undertaken as the authority may, in its discretion, deem necessary; or

(b) require the applicant, by notice in writing, to furnish the authority, within such period as may be specified in the notice, with such proposals, by way of alternative to or in addition to, proposals set out in the application.

(4) Where an application for a mineral title or mineral concession is made in respect of an area within a reserved or protected forest, the licensing authority shall not grant any such title or concession without proper consultation with the Department responsible for forests.

(5) In considering any application under this Part and the conditions subject to which the application may be granted, the licensing authority shall take into account the need to conserve and protect the natural resources in, on or under-

(a) the land to which the application relates; and

(b) any adjoining or neighboring land.

(6) Where the licensing authority decides-

(a) to grant an application under this Part subject to certain conditions, the authority shall give notice to the applicant accordingly, stating those conditions and the conditions referred to in Rule 13;

- (b) to refuse an application under this Part, the authority shall communicate that decision and reasons for the refusal to the applicant within a period of one hundred and twenty days of the date of receipt of the application inclusive of other relevant information requested by the licensing authority.

(7) The applicant may, within the period of one month after notice is given to him pursuant to sub-rule (6), or within such further period as the licensing authority may allow in writing, on good cause shown, agree in writing to accept the conditions or such other conditions may be agreed by the authority and the applicant.

12. Lapse of application- If any applicant fails-

- (a) to comply with the requirements of a notice referred to in Rule 11 (2) or (3)(b); or
- (b) to agree in pursuance of Rule 11 (7),

within the period specified in the notice, or such further period as may be allowed by the licensing authority, the application in question shall lapse on the expiration of the period.

13. General conditions of mineral title or mineral concession. (1) In addition to any conditions contained in a mineral title, a mineral concession or a mineral agreement, it shall be a condition of a mineral title or a mineral concession that the holder of the mineral title or mineral concession shall-

- (a) exercise any right granted to the holder by or under these Rules reasonably and in such manner that the rights and interests of the occupier of any land to which the title relates are not adversely affected except to the extent that the occupier is compensated;
 - (b) employ technically qualified and competent persons to carry on the operations to which the title relates including, but not limited to, the preparation of any accounts, maps, plans, programmes, reports and studies, and the execution of any works required under these Rules;
 - (c) In the employment of all grades of employees, give preference to citizens of Pakistan, and in particular those in Balochistan, who possess appropriate qualifications, expertise and experience for the purposes of the operations to be carried on under the mineral title or mineral concession;
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(d) Implement measures, including appropriate training programmes in order to encourage and promote the education and development of citizens of Pakistan, and in particular, in Balochistan, in modern mining skills and to equip them for employment in the mining sector;

(e) With due regard to the need to ensure technical and economic efficiency, make use of products or equipment manufactured or produced, and services available, within Balochistan;

(f) Co-operate with other persons involved in the mining industry to enable citizens of Pakistan, and in particular, those in Balochistan, to develop skills and technology to render services in the interest of that industry in Balochistan;

(g) Take measures to prevent damage to the environment, and where some adverse impact on the environment is unavoidable, take measures to minimize such impact;

(h) Make good any damage caused to the environment, in so far as possible, during the course of exploration or mining operations and on the cessation of such operations due to expiry, surrender or cancellation of the mineral title or mineral concession otherwise;

(i) In the case of a company, give to the licensing authority notice of any change in its name, registered address, directors, share capital, memorandum or articles of association or constitution or of beneficial ownership of more than five per cent of the issued share capital;

(j) Carry out the mineral operations in such a manner as not to encroach on any area not included in the mineral title or mineral concession;

(2) It shall be a condition of every mineral title or mineral that-

(a) before the commencement of mineral operations within a reserved or protected forest, thirty days notice in writing shall be given to the District or Divisional forest officer of the intention to commence the operations;

(b) the operations shall be conducted subject to any conditions that such officer may prescribe pursuant to Rule 14 (4);

(c) the holder of the title or concession shall make such contributions to the Government for the benefit of the local population to be used for such purposes as may be specified in the title or concession or the mineral agreement;

(d) on the expiry, termination, surrender or cancellation of the title or concession, the holder thereof, in accordance with good mining practices, shall-

- (i) fill up all excavations on the land to which the title or concession relates;
- (ii) securely plug all mines on such land;
- (iii) remove all equipment, installations and structures there from; and
- (iv) take such action as may be necessary to restore the land in so far as possible, to its original condition and to prevent hazards to human or animal life or to the property of others or to the environment, provided that the holder shall not be liable to restore the surface of land in respect of which full compensation has been paid under Rule 14 (8).

(3) A mineral title or mineral concession may make provisions-

- (a) for the pre-emption of minerals by the Government in such circumstances and on such conditions as are specified in the title or concession, subject to the payment of the fair market price determined on the basis so specified;
- (b) for the disputes which may be settled by arbitration; and
- (c) with respect to any or the matters referred to in Rule 9(3), as appropriate other than paragraph (f).

(4) The holder of a mineral title or mineral concession shall, at the holder's own expense, erect and at all times maintain and keep in repair, boundary marks and pillars according to the demarcation shown in a plan annexed to the mineral title or mineral concession and in accordance with the provisions of the following sub-rules.

(5) For the purposes of sub-rule (4) and subject to sub-rule (6), the holder of a mineral title or mineral concession shall, within sixty days of the issue of such mineral title or concession, cause the area of land to which the title or concession relates to be accurately demarcated in accordance with the procedures specified in sub-rule (13).

- (6) For the purposes of sub-rule (4), the holder of a mineral title or mineral concession may-
- (a) cause the demarcation required under that sub-rule to be carried out by a registered mine surveyor; or
 - (b) request the licensing authority to carry out that demarcation.

(7) where the holder of a mineral title or mineral concession acts pursuant to sub-rule (6)(a), the holder shall submit to the licensing authority, a certificate in a form acceptable to the licensing authority, (in this rule referred to as a demarcation certificate) prepared and signed by the registered mine surveyor certifying that the demarcation was carried out to the best of that surveyor's ability and in accordance with the relevant survey data.

(8) Where a request is made to the licensing authority under sub-rule (6) (b), the holder of the mineral title or mineral concession shall deposit in the relevant provincial head of account a demarcation fee in the amount specified in the First Schedule or such other amount as may be specified by notification by the Government, from time to time, in the Official Gazette.

(9) On receipt of a demarcation certificate, under sub rule (7) the licensing authority shall, as soon as practicable, cause the boundary demarcation to be physically checked by a competent official who shall, with the prior permission of the licensing authority, make any necessary correction in the demarcation to which that certificate relates.

(10) The holder of a mineral title or mineral concession shall deposit, in the relevant Provincial head of account the fee specified in the First Schedule for meeting the expenses of the checking of the boundary demarcation referred to in sub-rule (9) or such other fee as may be notified by the Government in the Official Gazette from time to time.

(11) The holder of a mineral title or mineral concession shall not commence any operations to which that title or concession relates-

- (a) unless a demarcation certificate has been submitted pursuant to sub-rule (7) and accepted by the licensing authority; or
- (b) without the written permission of the licensing authority, where the demarcation is carried out by the licensing authority.

(12) The procedures in relation to a demarcation are as follows-

- (a) at every angle or corner of each boundary, or as near thereto as is practicable, six (6) pillars of substantial material shall be fixed, being not less than two (2) feet square or diameter at the base and standing not less than two (2) feet above the surface of the ground;
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- (b) the direction of the boundary line or each pillar shall be indicated by a trench, four (4) feet long, and not less than six (6) inches wide and not less than six (6) inches deep;
- (c) each pillar shall bear or have affixed thereto, some distinguishable marks;
- (d) where the land is on the sea shore, it shall not be necessary to mark out the land below high water level;
- (e) no pillar shall be removed without the permission of the licensing authority.

(13) The provisions of this rule (12) shall also apply to a mineral concession.

14. Restriction on exercise of rights by holder of mineral title or mineral concession.

(1) The holder of a mineral title or a mineral concession shall carry on exploration or mining operations at or upon any point within a distance of-

- (a) fifty meters from boundary of the exploration area or the mining area, as the case may be;
- (b) one hundred meters from any railway line, reservoir, canal or other public works, or buildings, except with the previous permission in writing of the licensing authority and in accordance with the conditions, if any, that it may impose.

(2) The holder of a mineral title or a mineral concession shall not erect any building or carry on any surface operations upon-

- (a) any public pleasure ground, burning or burying ground;
or
- (b) any place held sacred by any class of persons; or
- (c) any house or village site, or public road or on any other place, which the licensing authority may exclude from such operations.

(3) The holder of a mineral title or a mineral concession shall not, without the written permission of the appropriate authority-

- (a) cut or injure any tree on occupied land or in an unreserved forest;
 - (b) disturb the surface of any road;
 - (c) enter on any public pleasure ground, burning or burial ground or place held sacred by any class of persons; or
 - (d) interfere with any right of way, well, tank or cultivable agricultural land.
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(4) All surface operations conducted under the authority of these Rules within a reserved or protected forest shall be subject to such conditions as the Forest Department may, by general or special order, from time to time, prescribe.

(5) In the event of any disagreement between the Forest Department and the holder of a mineral title, or a mineral concession the matter shall be referred to the Secretary of the department for a final decision on the matter.

(6) Before occupying any land for surface operations or clearing any land, the holder of a mineral title or a mineral concession shall give to the licensing authority one month's previous notice in writing specifying by name or other sufficient designation and quantity the land proposed to be occupied and the purpose for which it is required.

(7) The licensing authority shall at any time within one month from the receipt of a notice given pursuant to sub-rule (6) state the objections, if any, on grounds of public interest to the proposed site, and the holder of the mineral title or a mineral concession in question shall not proceed with any of the operations mentioned in that sub-rule until the objections are removed.

(8) The holder of a mineral title or a mineral concession shall-

- (a) pay such reasonable compensation as may be assessed by lawful authority in accordance with law in force on the subject applying to the lands to which the title or concession relates, for all damage, injury or disturbance which may be done by the holder in exercise of the powers granted by the title; and
- (b) Indemnify the Government against all claims which may be made by third parties in respect of any such damage, injury or disturbance.

(9) In the event of any dispute with respect to the payment of compensation pursuant to sub-rule (8)(a), the matter shall be referred to the government, whose decision shall be final.

(10) In the case of a boundary dispute between two or more holders of mineral titles or mineral concessions, the matter may be referred to the licensing authority for final decision.

15. Directions to mineral title or mineral concession- (1) The licensing authority may, with due regard to good reconnaissance, exploration or mining practices, by notice in writing to the holder of a mineral title or a mineral concession gives directions to the holder in relation to-

- (a) the carrying out of reconnaissance operations, exploration/ prospecting operations and mining operations, including any works connected therewith;
 - (b) the conservation of any natural resources, including mineral resources, and the prevention of the waste of such resources;
 - (c) the protection and preservation of the surface of mines or works
-

and of buildings, roads, railways and other structures and enclosures on or above the surface of land, and the conditions under which any such buildings, roads, railways, structures and enclosures may be undermined;

- (c) the construction, erection, maintenance, operation, use or removal of structures, equipment and other goods used in connection with exploration or the mining or conveyance of minerals;
- (d) the protection of the environment including the prevention and combating of pollution of the air or land which arises or may possibly arise in the course of the operations involved in exploration or mining for any mineral or after such operations have ceased;
- (e) the making safe of undermined ground and of dangerous slimes, tailings dams, waste dumps, ash dumps, shafts, holes, trenches or excavations of whatever nature made in the course of exploration or mining operation, and the proper abandonment of mines;
- (f) the taking, preservation and furnishing to the licensing authority cores, cuttings or samples of minerals from mines or excavations;
- (g) the submission to the licensing authority of reports, returns and other information;
- (h) the taking of logs or directional surveys or the making of other investigations;
- (i) the creation of safety zones in relation to structures erected on land to which the mineral title or mineral concession relates;
- (j) the cessation of mineral operations to the extent of any encroachment by the holder of a mineral title or a mineral concession upon any area not included in the mineral title or in the mineral concession.

(2) Where the licensing authority is satisfied that the holder of a mineral title or a mineral concession has failed to comply with any direction specified in a notice under sub-rule (1), within the period so specified or such further period as the authority may in writing allow on good cause shown, the authority may –

- (a) cause to be taken such steps as may be necessary to comply with the direction; and
 - (b) recover from the holder as a debt due to the Government, the costs incurred in connection with the taking of such steps.
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Division 2 – Reconnaissance Licence

16. Rights of licensee. (1) Subject to these Rules and the conditions of the licence, a reconnaissance licence shall confer on the licensee-

- (a) the non-exclusive right, or where sub-rule (3) applies, the exclusive right, to carry on reconnaissance operations in relation to the reconnaissance area in respect of any mineral or group of minerals to which the licence relates; and
- (b) the right subject to sub-rule (2), to carry on such other operations, including the erection or construction of ancillary works, in the reconnaissance area as may be reasonably necessary for, or in connection with, the reconnaissance operations referred to in clause (a).

(2) The licensee shall not erect or construct any ancillary works referred to in sub-rule (1) (b) without the prior consent in writing of the licensing authority, either unconditionally or subject to such conditions as the authority may impose.

(3) Subject to sub-rule (4), the licensing authority may, on application by-

- (a) an application for a reconnaissance licence, grant the licence to that applicant; or
- (b) the holder of a reconnaissance licence, cause an endorsement to be made on the licence, by virtue of which an exclusive right is conferred on the applicant or the holder to exercise the rights referred to in sub-rule (1)(a), if the licensing authority is satisfied on reasonable grounds that the grant of such an exclusive right is justified, having regard to the proposed reconnaissance operations and the proposed expenditure in or in relation to the reconnaissance area.

(4) An application referred to in sub-rule (3) shall not be granted in respect of any area of land-

- (a) to which any other mineral title has been granted, giving an exclusive right to carry on reconnaissance, exploration or mining operations; or
- (b) to which a mineral concession has been granted, to carry on exploration or, as the case may be, mining operations for the same mineral or group of minerals as those to which the exclusive right would, if granted, relate.
- (c) which is less than or exceeds the area specified in rule 18(1) (a).

(5) Subject to sub-rule (3), a reconnaissance licence does not confer

on the holder an exclusive right to carry on reconnaissance operations as provided in sub-rule (1) (a).

17. Duration of reconnaissance licence. (1) Subject to these Rules, a reconnaissance licence shall be valid for such period, not exceeding twelve months, as may be specified in the licence.

(2) Notwithstanding sub-rule (1), but subject to these Rules, where an application is made by the holder of a reconnaissance licence for the grant of an exploration licence-

- (a) in relation to an area of land in, or which constitutes, the reconnaissance area; and
- (b) in respect of a mineral or group of minerals in relation to which the licensee has the exclusive right under rule 16 (3) to carry on reconnaissance operations.
- (c) the reconnaissance licence shall not expire in relation to that area of land and mineral or group of minerals until the application is refused, or withdrawn or lapses, whichever first occurs, or if the application is granted, until the exploration licence is issued.

18. Application for reconnaissance licence. (1) An application for the grant of a reconnaissance licence shall comply with requirements of rule 10 and ;

- (a) shall be made in respect of an area of land which is not less than 100 square kilometers and does not exceed 10,000 square kilometers;
- (b) shall identify the mineral or group of minerals in respect of which a licence is sought;
- (c) shall be accompanied by five copies of a detailed topographical and geological description of the area of land to which the application relates, and five copies of a plan or map of such area drawn to scale as the licensing authority may require showing-
 - (i) its location with reference to magisterial districts; and
 - (ii) the extent of the area and the boundaries by reference to identifiable physical features and co-ordinate reference points;
- (d) Shall contain particulars of -
 - (i) the programme of reconnaissance operations proposed to be carried on, the estimated expenditure in respect thereof and the period

within which the operations will be carried on,
and

- (ii) in the case of an application for an exclusive right referred to in rule 16 (3), the reason for the application;
- (e) shall contain such particulars as may be necessary to determine the applicant's technical and financial resources including, but not limited to, the company's audited financial statements, and, where applicable, those of any person contractually engaged to provide such resources, and copies of relevant contractual agreements;
- (f) shall contain-
 - (i) particulars of all other mineral titles held or mines operated in Balochistan by the applicant, whether alone or jointly, currently or during the ten years immediately preceding the date of the application; or
 - (ii) where no such titles or mines are or were held or operated, particulars of any current involvement by the applicant in reconnaissance, exploration or mining operations outside Balochistan;
- (g) shall state the period, not exceeding twelve months, for which the licence is required;
- (h) shall be accompanied by such documents as the licensing authority may require in relation to any matter referred to in this rule;
- (i) may contain any other matter which, in the opinion of the applicant, is relevant to the application.

19. Restrictions on grant of reconnaissance licence. (1) The licensing authority shall not grant a reconnaissance licence-

- (a) unless the licensing authority is satisfied that the applicant is a fit and proper person to hold the licence;
- (b) if, at the time of the application, the applicant is in default unless the licensing authority is satisfied on reasonable grounds that special circumstances exist which justify the grant of the licence notwithstanding the default;

- (c) unless the licensing authority is satisfied, on reasonable grounds-
 - (i) with the programme of the proposed reconnaissance operations and the estimated related expenditure; and
 - (ii) that the applicant has the technical and financial resources to carry on those reconnaissance operations and make that expenditure; or
- (d) in respect of an area of land in relation to a mineral group of minerals in respect of which an exclusive right has, under rule 16 (3), been conferred on any other holder of a reconnaissance licence.

20. Issue of reconnaissance licence. (1) Subject to rule 11, where the licensing authority decides to grant a reconnaissance licence, it shall issue the licence to the applicant in accordance with these rules.

(2) A reconnaissance licence shall be substantially in the form prescribed or as may be determined by the licensing authority, and may include such additional provisions, not inconsistent with these rules and not repugnant to the Act, as the licensing authority may consider necessary.

(3) The holder of a reconnaissance licence shall pay stamp duties and registration charges in accordance with the relevant laws.

21. Work programme of reconnaissance operations.-(1) Where the licensee, is by virtue of the conditions of the licence, required to carry out or to make within a particular period, in accordance with a work programme, certain minimum reconnaissance operations and expenditure, the licensee shall furnish the licensing authority, on such date or dates as may be specified in the licence, or as may be determined by the licensing authority by notice in writing to the licensee, with particulars of such reconnaissance operations and the related expenditure.

(2) The licensing authority may, on application made to it by the licensee and for good cause shown, by notice in writing to the licensee, amend any work programme or expenditure referred to in sub-rule (1) in accordance with proposals contained in the application or to such extent as the licensing authority may deem expedient.

22. Records and reporting by Licensee.-(1) The licensee shall prepare and keep at an address in Balochistan. in a form acceptable to the licensing authority proper records of-

- (a) the location and nature of all photo geological studies, imaging and geophysical and other surveys carried on by the licensee in the course of the reconnaissance operations in the reconnaissance area, and the results, interpretations and assessments of such studies and surveys;

- (b) the persons employed by the licensee for purposes of the reconnaissance operations including the names, addresses, nationality and ages of such persons;
- (c) such other information as may be determined by the licensing authority by notice in writing to the licensee, and shall retain such records for a period of not less than five years from the date of expiry of the licence;

(2) The licensee shall also cause to be prepared by a registered mine surveyor in accordance with the Sixth Schedule, and kept at all times at an office in Balochistan, accurate plans and maps in respect of the reconnaissance area.

(3) The Licensee shall submit to the licensing authority, within 60 days after the end of the period of the licence, in respect of the whole of the reconnaissance area, reports as follows-

- (a) the reports shall be in duplicate and in a form acceptable to the licensing authority;
- (b) a report shall be submitted with any application for an exploration licence whether in respect of the whole or any portion of the reconnaissance area;
- (c) where an application is made for an exploration licence in respect of a portion of the reconnaissance area, separate reports shall be submitted in respect of that portion and the remainder of the reconnaissance area;
- (d) each report shall set out, in relation to the period of the licence-
 - (i) an evaluation of the prospects of the discovery of any mineral or group of minerals in the reconnaissance area;
 - (ii) all information, including photographs, tabulations, tapes and discs, in the records referred to in sub-rule (1) (a) and the plans and maps referred to in sub-rule (2); and

(4) In the event of the cancellation or surrender of a reconnaissance licence under Rule 59 or Rule 60, or the expiration of the licence, the person who was the licensee immediately before the cancellation, surrender or expiration shall, on a date not later than thirty days after the date of the cancellation, surrender or expiration, deliver to the licensing authority-

- (a) all records kept in accordance with sub-rule (1);
- (b) all maps and plans referred to in sub-rule (2);

- (c) all repots, photographs, tabulations, tapes and discs prepared by or on behalf of that person in the course of the reconnaissance operations; and
- (d) such other books, documents, records and reports as the licensing authority may require by notice in writing to such person, or copies of such records, maps, plans, reports, photographs, tabulations, tapes, discs, books and documents, unless an exploration licence is issued to such person in relation to the reconnaissance area with effect from the date immediately following the date of the cancellation, surrender or expiration or such later date as specified in sub rule 3 (d) (ii).

Division 3 – Exploration Licence

23. Rights of licensee. (1) Subject to these Rules and the conditions of the licence, an exploration licence shall confer on the licensee-

- (a) the exclusive right to carry on exploration operations in the exploration area in respect of any mineral or group of minerals to which the licence relates;
- (b) subject to the rights of the surface holder, the right to enter and occupy the land which comprises the exploration area for the purpose of carrying out exploration operations;
- (c) the right to take and use water on or flowing through such land for any purpose necessary for exploration operations subject to and in accordance with the provisions of the relevant legislation relating to water but in the exercise of such right, the licensee shall not deprive any lands, villages or houses or watering places for cattle, of a reasonable supply of water;
- (d) with the prior permission in writing of the licensing authority generally or in any particular case, the right -
 - (i) to remove from the exploration area under valid Rahdaries any mineral or group of minerals or sample thereof, for the purposes of testing, assaying or pilot plant studies, from any place where it was found or incidentally won in the course of such exploration operations to any other place whether within or outside Balochistan, or subject to such other permission as may be required under other relevant legislation, outside Pakistan; and

- (ii) to sell or otherwise dispose of limited amounts of any such mineral or group of minerals or of material excavated during exploration operations; and
- (e) subject to sub-rule (2), to do all other things, including the erection or construction of ancillary works in the exploration area, as may be reasonably necessary for, or in connection with, any exploration operations referred to in clause (a).

(2) The provisions of clause (b) of sub rule (1) of Rule 16 (erection or construction of ancillary works) and sub-rule (2) of that Rule shall apply with necessary modifications in relation to a licensee wishing to erect or construct ancillary works under sub-rule (1) as they apply in relation to a licensee wishing to do so under Rule 16.

(3) Except as provided in paragraph (d) of sub-rule (1) of Rule 23, the holder of an exploration licence shall not remove any mineral from the land where it was found in the course of carrying on exploration operations referred to in sub-rule (1) without the written permission of the licensing authority.

(4) Where the licensing authority grants the holder of an exploration licence permission under sub-rule (3), subject to condition, the holder of the exploration licence shall comply with the conditions specified by the licensing authority when removing the mineral.

24. Duration of exploration licence. - (1) Subject to these Rules, an exploration licence –

- (a) shall be valid for such period, not exceeding three years, as may be specified in the licence and for the period of any renewal thereof;
- (b) may be renewed –
 - (i) for such period, not exceeding three years as may be determined by the licensing authority and specified in the instrument of renewal; and
 - (ii) if the conditions specified in Rule 29 (2) (c) (iii) are satisfied, for a further period, not exceeding three years, as may be determined by the licensing authority and specified in the instrument of renewal, as from the date on which the licence would have expired if an application for its renewal had not been made.

(2) Notwithstanding the provisions of sub-rule (1) but subject to these Rules -

- (a) where an application is made by a licensee for the renewal of an exploration licence in relation to -
 - (i) an area of land in or which constitutes the area subject to the licence; and
 - (ii) in respect of the mineral or group of minerals to which the licence relates, the existing licence shall not expire in relation to that area of land and that mineral or group of minerals until the application is refused, withdrawn or lapsed, whichever first occurs, or if the application is granted, until issue of the instrument of renewal; or
- (b) where the application is made by the holder of the exploration licence for the grant of a mineral deposit retention licence or a mining lease, as the case may be, in relation to -
 - (i) an area of land in or which constitutes the exploration area; and
 - (ii) a mineral or group of minerals to which the exploration licence relates, the exploration licence shall not expire in relation to that area of land and that mineral or group of minerals until the application is refused or withdrawn or lapsed, whichever first occurs, or if the application is granted, until the mineral deposit retention licence or, as the case may be, the mining lease is issued.

25. Effect of issue of mining lease or mineral deposit retention licence on exploration area. - (1) Where a mineral deposit licence or a mining lease is issued to the holder of an exploration licence in respect of area of land in, or which constitutes, the exploration area and in respect of a mineral or group of minerals included in the exploration licence –

- (a) that exploration licence shall cease to have effect in relation to that area of land as from the date on which the mineral deposit retention licence or a mining lease is issued; and

- (b) any other exploration licence held by any other person shall so cease to have effect in relation to that area of land unless the licensing authority deems it desirable in the interests of the development of the mineral resources of Balochistan that the licence should not so cease to have effect and, with the agreement of the applicant for the mining lease, so orders in writing on such conditions as the licensing authority may determine.

26. Application for exploration licence.- (1) An application for an exploration licence shall comply with requirements of Rule 10 and

- (a) shall, in the case of a company, contain the information referred to in Rule 18 (1)(a);
- (b) shall be accompanied by a plan or map referred to in Rule 18 (1)(d);
- (c) shall be accompanied by a comprehensive geological description of the area of land over which the licence is required and identify-
 - (i) the potential for, or the nature of, mineralization contained therein; and
 - (ii) any mineral or group of minerals in respect of which the licence is required;
- (d) shall contain particulars of-
 - (i) the programme of the proposed exploration operations, the estimated expenditure in respect thereof and the period within which the operations will be carried on;
 - (ii) the state of the environment in the area to which the application relates and the anticipated effect which the proposed exploration operations may have on the environment and the measures to be taken to prevent, minimize or remedy any adverse effects thereon;
- (e) shall contain the particulars referred to in Rule 18 (1)(f)(technical and financial resources);
- (f) shall state the period, not exceeding three years, for which the licence is required;
- (g) shall be made in respect of an area of land not exceeding 1000 square kilometers.

- (h) shall be accompanied by such documents as the licensing authority may require in relation to any matter referred to in this Rule; and
- (i) may contain any other matter which, in the opinion of the applicant, is relevant to the application.

(2) An applicant for an exploration licence shall comply with the requirements of sub-rule (1) and (7) of Rule 10.

27. Grant or refusal of Exploration Licence.- (1) Subject to these Rules, where an application for an exploration licence-

- (a) is made by the holder of a reconnaissance licence in respect of-
 - (i) an area of land in or which constitutes the reconnaissance area;
 - (ii) any mineral or group of minerals in relation to which the holder of the reconnaissance licence has, under Rule 16 (3), the exclusive rights to carry on reconnaissance operations in that area of land, the licensing authority shall grant the exploration licence; or
- (b) is made by any other person, the licensing authority may grant or refuse to grant the exploration licence.

(2) The licensing authority shall not grant an exploration licence to any person in relation to any area of land in respect of any mineral or group of minerals if, at the time the application is made-

- (a) the area of land is in or constitutes a mining area or an area of land subject to a mining concession;
- (b) any mineral deposit retention licence is held by any other person in relation to the area of land-

(3) An exploration licence shall not be granted to an applicant-

- (a) who is in default at the time of the application.
- (b) Unless the licensing authority is satisfied on reasonable grounds-
 - (i) with the proposed programme of exploration operations to be carried on and the estimated related expenditure;

- (ii) that the applicant has the technical and financial resources to carry on the exploration operations;
- (iii) that the applicant is a fit and proper person to hold the licence;
- (c) in respect of an area of land exceeding 1,000 square kilometers;
- (d) for a period exceeding three years.

28. Issue of Exploration Licence. The provisions of Rule 20 shall apply with necessary modifications, in relation to the issue of an exploration licence, and for that purpose any reference in those provisions to “reconnaissance licence” “reconnaissance area” and “reconnaissance operations” shall be construed as a reference to “exploration licence” “exploration area” and “exploration operations”

29. Application for renewal of exploration licence. (1) Subject to this Rule, the provisions of Rules 26 and 27 shall apply, with necessary modifications, in relation to an application for the renewal of an exploration licence.

(2) An application for the renewal of a licence shall-

- (a) be made not later than ninety days before the expiry date of the licence or such later date, but not later than such expiry date, as the licensing authority may allow, on good cause shown;
- (b) state the period, not exceeding three years, for which the renewal is required;
- (c) not be made-
 - (i) in the case of a first renewal, in respect of an area of land greater in extent than fifty per cent of the exploration area at the date of the issue of the licence;
 - (ii) in the case of a second renewal, in respect of an area of land greater in extent than fifty per cent of the exploration area immediately prior to the date of that application, or such other proportion of the exploration area as the licensing authority may determine on good technical or other reasonable grounds; or
 - (iii) in the case of a second renewal, unless the applicant can satisfy the authority that such a renewal is necessary for the completion of a full feasibility study of the discovered deposits and that

the proposed activities could not have been reasonably completed during the period of the first renewal;

- (d) be accompanied by a report in duplicate containing the particulars described in Rule 33 (4), prepared in respect of the immediately preceding period of the exploration licence;
- (e) describe and identify the part of the exploration area to be retained and the part to be relinquished;
- (f) be accompanied by the proposed work programme and the estimated expenditure for the period of the renewal, and
- (g) in the case of a second renewal, give the reason for requesting the renewal, supported by documentary proof.

(3) Subject to the provisions of sub-rules (4) and (5), the licensing authority shall not grant a renewal of an exploration licence-

- (a) unless the licensing authority is satisfied on reasonable grounds-
 - (i) with the minimum exploration operations and expenditure proposed to be carried out or expended in the renewal period in respect of the area of land to which the application relates; and
 - (ii) of the matters specified in sub-rule (3) (b) (ii) and (iii); of Rule 27; or
- (b) if, at the time of the application, the applicant is in default.

(4) The licensing authority shall not refuse under sub-rule (3)(a) to grant a renewal of an exploration licence if the proposals in respect of exploration operations and expenditure are in accordance with the terms and conditions of the exploration licence or mineral agreement relating to proposals of that kind.

(5) The licensing authority shall not refuse under sub-rule (3)(b) to grant the renewal of an exploration licence, unless the licensing authority has, by notice in writing, informed the applicant of its intention to refuse to grant the renewal-

- (a) setting out particulars of the alleged default or other grounds for the proposed refusal; and
- (b) requiring the applicant to make representations to the licensing authority in relation to the alleged default or other grounds for the proposed refusal or to remedy that default or the ground for the proposed refusal on or before a date specified in the notice and the applicant has failed, or is unable, to remedy that default or other ground or make representations which, in the opinion of

the licensing authority, would remove the ground for the proposed refusal.

(6) The licensing authority shall not grant a second renewal of an exploration licence unless the applicant -

- (a) has shown that the renewal sought is necessary for the completion of feasibility studies which could not have been reasonably completed during the period of the first renewal; and
- (b) satisfies the conditions for renewal in sub-rule (3).

30. Application for amendment of exploration licence.- (1) Subject to sub-rule (2), a licensee may apply for an amendment of the licence –

- (a) by the extension or reduction, or both, of the exploration area to which the licence relates; or
- (b) in the circumstances specified in Rule 31(3).

(2) The provisions of sub-rule (1) of Rule 10 and Rules 26 and 27 shall apply, with necessary modifications, in relation to an application under sub-rule (1).

(3) Upon the grant of an application under sub-rule (1), the licensing authority shall amend the exploration licence accordingly.

31. Obligations of licensee:- (1) The holder of an exploration licence shall –

- (a) commence operations in the exploration area within six (6) months of the issue of the licence, and carry on exploration operations in the exploration area in accordance with good exploration practices;
- (b) take all reasonable steps necessary to secure the safety, welfare and health of persons employed for purposes of those operations in the exploration area and to protect the environment;
- (c) maintain in good condition and repair all structures, equipment and other goods in the exploration area and used in connection with the exploration operations;
- (d) remove from the exploration area all structures, equipment and other goods not used or intended to be used in connection with the exploration operations;

- (e) take reasonable steps to warn persons who may from time to time be in the vicinity of any such structures, equipment or other goods of the possible hazards resulting there from;
 - (f) allow existing and future title holders of any area which is comprised in or adjoins or is reached by the area to which his title relates, all reasonable facilities of access thereto;
 - (g) notify the licensing authority of the discovery of a deposit of any mineral or group of minerals included in the licence, or of any associated minerals within thirty days after such discovery;
 - (h) notify the licensing authority within ten days after making a discovery of a deposit of any mineral or group of minerals other than a mineral or group of minerals included in the licence;
- (2) Where the notification referred in paragraph (h) relates to minerals necessary for the generation of nuclear energy as defined in sub-rule (7), notify also the Pakistan Atomic Energy Commission;
- (3) Where, pursuant to -
- (a) sub-rule (1)(g), the licensee notifies the licensing authority of the discovery of associated minerals; or
 - (b) sub-rule (1)(h), the licensee notifies the licensing authority of the discovery of any mineral or group of minerals not included in the licence, the licensee;
 - (i) shall submit, with the notification, all relevant geological and technical data and a report on the potential commercial value of that deposit;
 - (ii) may, within three months of such notification, apply to the licensing authority for amendment of the licence to include the minerals referred to in sub-rule (3) (a) or (b); and
 - (iii) Subject to sub-rule (4), shall have a preferential right to the amendment of the licence.
- (4) Where an application is made under sub-rule (3), the licensing authority -

- (a) may, in the case of an application relating to a mineral or group of minerals not included in the licence, grant the amendment of the licence or issue a separate licence in respect of that mineral or group of minerals;
 - (b) shall, in the case of an application relating to associated minerals, grant the amendment of the licence if it is satisfied on reasonable grounds that the licensee will -
 - (i) make such alterations in its work programme of exploration operations as are necessary in relation to the associated minerals; or
 - (ii) comply with such terms and conditions as may be required by the licensing authority in relation to the discovery and production of the associated minerals.
- (5) Where the licensing authority decides to grant an amendment of a licence or to issue a separate licence, it shall state the conditions governing such amendment or separate licence.
 - (6) Subject to sub-rule (7), the licensee shall have no rights in respect of a mineral or group of minerals referred to in sub-rule (3) unless the licence is amended or a separate licence is issued, in accordance with sub-rule (4).
 - (7) The licensee shall have no rights in respect of minerals referred to in sub-rule (2) without the agreement of the Pakistan Atomic Energy Commission.
 - (8) The minerals referred to in sub-rule (2) include, but are not limited to uranium, thorium, zirconium, niobium, hafnium, lithium and vanadium.

32. Work programme of exploration operations. The provisions of Rule 21 shall apply, with necessary modifications, in relation to an exploration licence, and for that purpose, any reference in the Rule to “reconnaissance licence” or “reconnaissance operations” shall be deemed to be a reference to “exploration licence” or “exploration operations”, respectively.

33. Records and reporting by licensee.- (1) The licensee shall prepare and keep at an address in Balochistan, in a form acceptable to the licensing authority, proper records of –

- (a) the location and results of all photo geological studies, imaging, geological mapping, geochemical

sampling, geophysical surveying, drilling, pitting and trenching, sampling and bulk sampling and other activities undertaken by the licensee in the course of the exploration operations in, or in connection with, the exploration area covered by the exploration licence;

(b) the results of all analytical, metallurgical and mineralogical work incidental to such exploration operations;

(c) the interpretation and assessment of the studies, surveys and work referred to in clauses (a) and (b);

(d) the persons employed by the licensee for purposes of such exploration operations, including their names, addresses, nationality and ages;

(e) the description and quantity of any mineral or group of minerals found in the area to which the title relates;

(f) the nature, mass or volume and value of any mineral or group of minerals incidentally won during exploration operations and sold or otherwise disposed of, the amount of money received and the full names and addresses of any person to whom such mineral or group of minerals was sold or otherwise disposed of ;

(g) the capital and operating expenditure incurred by the licensee in the course of such exploration operations;

(h) such other information as may be required by the licensing authority;

(2) The licensee shall also cause to be prepared, by a registered mine surveyor, in accordance with the Sixth Schedule, accurate maps and plans in respect of the exploration area.

(3) The licensee shall submit to the licensing authority, within 15 days after the end of each quarter or such other periodic intervals as may be required during the period of such exploration licence, in a form acceptable to the licensing authority, a return or returns containing in relation to such quarter -

(a) a summary of the particulars and information contained in the records referred to in sub-rule (1) as may be required by the licensing authority; and

- (b) such other particulars as the licensing authority may require in relation to the exploration operations carried on by the licensee.
- (4) The licensee shall submit, within 60 days after the end of the period of such exploration licence and of each period during which such exploration licence has been renewed, in respect of the whole of the exploration area, reports as follows -
 - (a) the reports shall be in duplicate and in such form as the licensing authority may determine in writing;
 - (b) a report shall be submitted with each application for the renewal of the exploration licence or an application for a mineral deposit retention licence or mining lease whether in respect of the whole or any portion of the exploration area;
 - (c) where an application is made for a mineral deposit retention licence or mining lease in respect of a portion of the exploration area, separate reports shall be submitted in respect of that portion and of the remainder of the exploration area;
 - (d) each report shall set out, in relation to the period referred to in sub-rule (3) -

- (i) an estimate of the mineral reserves in the exploration area properly illustrated by way of plans and maps according to an appropriate scale;

- (ii) the nature, mass or volume and value of any mineral or group of minerals sold or otherwise disposed of and the full names and addresses of any person to whom such mineral or group of minerals has been sold or otherwise disposed of;

- (iii) an evaluation of the prospects of the discovery of any mineral or group of minerals in the exploration area; and

- (iv) such other particulars as the licensing authority may require in relation to the exploration operations carried on by the licensee.

- (5) In the event of the cancellation or surrender of an exploration licence under Rule 57 or Rule 58 or the expiration of the term of any exploration licence, the person who was the licensee of such a licence immediately before such cancellation, surrender or expiration shall, on a date not later than one month thereafter deliver to the licensing authority -

- (a) all records kept in accordance with sub-rule (1);
- (b) all maps and plans referred to in sub-rule (2);
- (c) all reports, photographs, tabulations, tapes and discs prepared by or on behalf of such person in the course of such exploration operations; and
- (d) such other books, documents, records and reports as the licensing authority may require by notice in writing and delivered to such person, or copies thereof, unless a mineral deposit retention or a mining lease is issued to such person in relation to the area covered by such exploration licence, with effect from the date following the date of such cancellation, surrender or expiration or such later date as the licensing authority may allow, on good cause shown.

Division 4 – Mineral deposit retention licence

34. Rights of licensee.- (1) Subject to these Rules and the conditions of the licence, a mineral deposit retention licence shall authorize the licensee –

- (a) to retain the retention area in question for future mining operations;
 - (b) to carry out a programme of operations referred to in Rule 43;
 - (c) under the provision of Rules 23 (d) (i) (ii) and (e) and sub-rule.
- (2) in relation to Exploration Licence shall also apply to mineral deposit retention licence.

35. Persons who may apply for mineral deposit retention licence.- A person may apply for the grant of a mineral deposit retention licence if the person is the holder of an exploration licence in relation to the area of land and the mineral or group of minerals to which the application relates and –

- (a) a potentially economic discovery of mineral deposit has been made in the exploration area;
- (b) the applicant has completed a full feasibility study to determine whether the mineral deposit can be developed and produced on a profitable basis;
- (c) the applicant wishes to retain the exploration area or a part thereof for future development of the mineral deposit discovered as, for good economic or technical reasons, development could not then be reasonably undertaken on a profitable basis, and

(d) exploration operations and relevant studies have been undertaken to the maximum extent feasible in the circumstances.

36. Duration of mineral deposit retention licence.- (1) Subject to these Rules, a mineral deposit retention licence shall be valid for such period, not exceeding two years, as may be specified in the licence and for the period of any renewal thereof provided such renewal shall not exceed one year.

(2) Notwithstanding sub-rule (1) but subject to these Rules, where the licensee applies for -

(a) the renewal of a mineral deposit retention licence, the licence shall not expire until -

(i) the application is refused or withdrawn or lapses, whichever first occurs; or

(ii) if the application is granted until the instrument of renewal is issued to the applicant; or

(b) the grant of a mining lease in relation to an area of land in or which constitutes the retention area, and in respect of any mineral or group of minerals included in the licence, the licence shall not expire in relation to that area of land and that mineral or groups of minerals until-

(i) the application is refused or withdrawn or lapses, whichever first occurs; or

(ii) if the application is granted the mining lease is issued to the applicant.

(3) Where a mining lease is issued to the holder of a mineral deposit retention licence in respect of an area of land forming part of the retention area and any mineral or group of minerals included in the mineral deposit retention licence -

(a) that licence shall cease to have effect in relation to the area of land as from the date of the issue of the mining lease;

(b) any other mineral deposit retention licence shall so cease to have effect unless, with the agreement of the licensee to whom the mining lease is issued, the licensing authority determines otherwise subject to conditions as specified in the rules.

37. Application for mineral deposit retention licence.- (1) An application for a mineral deposit retention licence –

(a) shall, in the case of an individual, contain the information referred to in Rule 26 (1)(a);

(b) shall, in the case of a company, contain the information referred to in Rule 18 (1) (a);

(c) shall be accompanied by the description and plan or map referred to in Rule 18 (1)(d) of the area of land, not greater than the exploration area concerned, over which the licence is required;

(d) shall identify the mineral or group of minerals to which the application relates and furnish full details of the proven, estimated or inferred mineral reserves contained therein, and of the mining conditions pertaining thereto;

(e) shall contain particulars of -

(i) the proposals for carrying out of work in the exploration area and expenditure during the period of the licence for which the application is made and if no further work in or in relation to the exploration area could be usefully carried out, the reasons there for;

(ii) the state of the environment in the area to which the application relates, the likely adverse impact which the proposed operations may have on the environment and the measures to be taken to prevent, mitigate or remedy such impact;

(f) shall contain -

(i) the particulars referred to in Rule 18 (1) (f) (technical and financial resources); and

(ii) particulars of the exploration licence held by the applicant;

(g) shall -

(i) give reasons in support of the claim that the mineral deposit discovered in the area of land to which the application relates could not then be mined on a profitable basis; and

(ii) give a forecast of the circumstances in which, and the earliest date on which, the mineral or group of minerals discovered might be so mined;

- (h) shall
 - (i) state the period for which the licence is required;
 - (ii) be accompanied by relevant data, studies, analysis, documents and such other relevant information in relation to the application; and
- (i)
 - (i) may contain any other matter which, in the opinion of the applicant, is relevant to the application.
 - (ii) shall be made not later than one hundred and eighty days before the expiration of the exploration licence or any renewal thereof, or such later date, but not later than such expiration date, as the licensing authority may allow, on good cause shown; and
 - (iii) shall comply with the requirements of sub-rule (1) and (7) of Rule 10.

38. Grant or refusal of mineral deposit retention licence.- (1) The provision of Rule 27 shall apply to the grant / refusal of mineral deposit retention licence.

39. Issue of mineral deposit retention licence.- The provisions of Rule 20 shall apply with necessary modifications in relation to the issue of a mineral deposit retention licence and for that purpose any reference in those provisions to “reconnaissance licence”, “reconnaissance area” and “reconnaissance operations” shall be deemed to be a reference to “retention licence”, “retention area” and “exploration operations”.

40. Application for renewal of mineral deposit retention licence.- (1) Subject to sub-rule (2), the provisions of Rule 37 shall apply with necessary modification in relation to an application for the renewal of a mineral deposit retention licence.

(2) An application for the renewal of a mineral deposit retention licence shall be made not later than ninety days before the date of expiration of the licence or such later date, but not

later than the date of expiration, as the licensing authority may allow, on good cause shown.

41. Application for amendment of mineral deposit retention licence.- (1) Subject to sub-rule (2), a licensee may apply for the amendment of the licence –

- (a) by the reduction of the retention area to which the licence relates; or
- (b) by the addition of any mineral or group of minerals or associated mineral discovered in the retention area, and not included in the licence.

- (2) The provisions of sub-rules (1) of Rule 10 and 38 shall apply with necessary modifications in relation to an application under sub-rule (1) of this Rule.
- (3) If an application under sub-rule (1) is granted, the licensing authority shall amend the mineral deposit retention licence accordingly, subject to Rule 31 (4).

42. Obligations of licensee. The provisions of Rule 31 (obligations) shall apply with necessary modifications in relation to a mineral deposit retention licence.

43. Work programme under mineral deposit retention licence.- The licensee shall carry out any programme of operations, including evaluations from time to time, of the mineral deposit concerned, as may be specified in the licence or directed to be performed by the licensing authority, as a condition of any renewal of the licence.

44. Records and reporting by licensee - (1) The licensee shall prepare and keep at an address in Balochistan, in a form acceptable to the licensing authority proper records of –

- (a) the investigations and operations, including the erection or construction of ancillary works carried on by the holder for, or in connection with, future mining operations described in Rule 34;
- (b) the location and results of all photo geological studies, imaging, geological mapping, geochemical sampling, geophysical surveying, drilling, pitting and trenching, sampling and bulk sampling and all other activities undertaken by the licensee in the course of the exploration operations carried on by the holder in the retention area for future mining operations described in Rule 34;
- (c) the results of all analytical, metallurgical and mineralogical work incidental to such exploration operations;
- (d) the interpretation and assessment of the studies, surveys and works referred to in paragraphs (b) and (c);
- (e) the nature, mass or volume of any mineral incidentally won during exploration operations and sold or otherwise disposed of, the amount of money received and the full names and addresses of any person to whom such mineral or group of minerals was sold or otherwise disposed of;

(f) the persons employed by the licensee for purposes of such investigations and operations, including their names, addresses, nationality and ages;

(g) the capital and operating expenditure incurred by the licensee in the course of such exploration operations; and

(h) such other information as may be required by the licensing authority.

(2) The licensee shall also cause to be prepared, by a registered mine surveyor, in accordance with the Sixth Schedule, accurate plans and maps in respect of the retention area.

(3) The licensee shall submit to the licensing authority -

(a) within 30 days after the end of the period of the mineral deposit retention licence, a report containing an evaluation of the prospects and economic viability of future mining operations in the retention area;

(b) such other reports, records and other information as the authority may from time to time require in writing, in connection with the carrying on of investigations and operations in the retention area.

(4) the licensee shall submit to the licensing authority, within 60 days after the end of the period of the mineral deposit retention licence, reports as follows -

(a) the reports shall be in duplicate as prescribed by the licensing authority;

(b) a report shall be submitted with an application for the renewal of the mineral deposit retention licence or a mining lease in respect of the whole or any portion of the retention area;

(c) where an application is made for a mining lease in respect of any portion of the retention area, separate reports shall be submitted in respect of that portion and the remainder of the retention area;

(d) each report shall set out, in relation to the period of the mineral deposit retention licence.-

(i) an evaluation of the prospects and economic viability of future mining operations in the retention area;

(ii) all information, including photographs, tabulations, tapes and discs, in the records

referred to in sub-rule (1) and the plans and maps referred to in sub-rule (2);

(iii) such other particulars as the licensing authority may require in relation to the operations carried on by such licensee.

(5) In the event of the cancellation or surrender of a mineral deposit retention licence under Rule 57 or 60 or the expiry of such licence, the person who was the licensee immediately before the cancellation, surrender or expiration shall, on a date not later than 90 days after the date of the cancellation, surrender or expiry, deliver to the licensing authority -

(a) all records kept in accordance with sub-rule (1); and

(b) such other books, documents, records and reports as the licensing authority may require, or copies thereof, unless a mining lease is issued to such person in relation to the area covered by such mineral deposit retention licence with effect from the date immediately following the date of such cancellation, surrender or expiry or such later date as the licensing authority may allow, on good cause shown.

Division 5 – Mining Lease

45. Rights of lessee.- (1) Subject to these Rules and the conditions of the lease, a mining lease shall confer on the lessee-

(a) the exclusive right to carry on mining operations in the mining area in question in respect of any mineral or group of minerals to which the lease relates;

(b) the right to -

(i) carry on in the mining area, in conjunction with mining operations referred to in paragraph (a), exploration operations in relation to any such mineral or group of minerals;

(ii) enter and occupy the land which comprises the mining area for the purpose of carrying on mining operations referred to in paragraph (a) and exploration operations referred to in sub-paragraph (i);

(c) the right to remove from the mining area, under valid Rahdaries, any mineral or group of minerals, from any place where it was found or mined in the course of

mining operations referred to in paragraph (a) or found or incidentally won in the course of exploration operations referred to in paragraph (b), to any other place within or outside Balochistan or, subject to such other permission as may be required under any relevant law, to any place outside Pakistan;

(d) the right to take and use water on or flowing through such land for any purpose necessary for mining operations subject to, and in accordance with, the provisions of the relevant legislation relating to water but in the exercise of such right, the lessee shall not deprive any lands, villages, houses or watering of places for cattle, of a reasonable supply of water;

(e) the right to sell or otherwise dispose of any such mineral or group of minerals subject to any conditions of the mining lease or mineral agreement relating to the satisfaction of the internal requirement of Pakistan; and

(f) the right, subject to sub-rule (2), to do all other things and carry on such other operations, including the erection or construction of ancillary works, as may be reasonably necessary for, or in connection with, the mining or exploration operations, and activities referred to in paragraph (a), (b), (c), or (e).

(2) The provisions of Rule 16 (2) (consent to erection or construction) shall apply with necessary modifications in relation to the lessee who wishes to erect or construct ancillary works under sub-rule (1) of this Rule.

46. Duration of mining lease. (1) Subject to these Rule, a mining lease shall be valid for an initial term of mining lease which shall not be less than ten years and shall not exceed thirty years but the lease may contain a clause permitting renewals at the discretion of the licensing authority or Government for further period not exceeding thirty years at a time on such terms and in such form as may be in force on the day on which the renewal is sanctioned.

(2) If the mineral Agreement in case of L.S.M and the lease deed in case of Small Scale Mining is not executed within three months of the communication of the approval of the application for a mining lease and the presentation of the mineral agreement / lease deed for signature, the right of the applicant to such lease shall be deemed to have lapsed unless the licensing authority is satisfied that the delay in execution was not caused by the applicant or was due to circumstances beyond the applicant's control.

47. Application for mining lease.- (1) An application for the grant of a mining lease may be made only by a body corporate formed by or under a law for the time being in force in Pakistan.

(2) An application for a mining lease -

(a) shall contain the information referred to in Rule 18 (1) (a);

- (b) shall be accompanied by the description, maps and plan referred to in Rule 18 (1) (d);
- (c) shall be made in respect of an area of land not exceeding 250 square kilometers and identify the mineral or group of mineral in respect of which the lease is sought;
- (d) shall contain the particulars referred to in Rule 18 (1) (f) (technical and financial resources);
- (e) shall be accompanied by -
 - (i) a technological report on mining and treatment possibilities and the intention of the applicant in relation thereto;
 - (ii) where the applicant is a person referred to in Rule 50 (I), the statement of expenditure referred to in Rule 33 (1) (g) duly certified by a recognized firm of auditors or chartered accountants.
- (f) shall be accompanied by the relevant feasibility studies, and shall include, for the approval of the licensing authority, detailed plans for development and operation of the mine and the programme of proposed mining operations, including a forecast of -
 - (i) the date by which the applicant intends to work;
 - (ii) the capacity and expected rate of production and scale of operations;
 - (iii) the anticipated overall recovery of ore and mineral products; and
 - (vi) the nature of the products;
- (g) shall -
 - (i) be accompanied by an environmental impact assessment in terms of the Environmental Protection Act;
 - (ii) identify the extent of any adverse effect which the plan for development and operation of the mine and the carrying out

of the programme of proposed mining operations would be likely to have on the environment and on any monument or relic in the area over which the lease is required; and

- (iii) contain proposals for eliminating or controlling that effect;
 - (h) shall contain proposals for the prevention of pollution, the treatment and disposal of wastes, the safeguarding, reclamation and rehabilitation of land disturbed by mining operations, the protection of rivers and other sources of water and for monitoring and managing any adverse effect of mining operations on the environment;
 - (i) shall identify any particular risks (whether to health or otherwise) involved in mining the mineral or group of minerals which it is proposed to mine, and proposals for their control or elimination;
 - (j) shall contain or be accompanied by -
 - (i) a statement giving a detailed forecast of capital investment, operating costs and revenues and the anticipated type and source and extent of financing;
 - (ii) a statement giving particulars of expected infrastructure requirements; and
 - (iii) proposals in respect of the matters specified in Rule 13(1) (b), (c), (d), (e), (f), (g) and (h);
 - (k) shall state the period, not exceeding thirty years, for which the lease is required;
 - (l) shall be accompanied by such other documents and information as the licensing authority may require in relation to the application; and
 - (m) may contain any other matter which in the opinion of the applicant is relevant to the application.
- (3) An applicant for a mining lease shall comply with the requirements of sub-rules (1) and (7) of Rule 10.

48. Grant or refusal of mining lease.- (1) Subject to these Rules, where the holder of exploration licence or a mineral deposit retention licence, makes an application for a mining lease in respect of –

- (a) an area of land in, or which constitutes, the exploration area or, as the case may be, the retention area; and
- (b) any mineral or group of minerals included in such exploration licence or such mineral deposit retention licence, as the case may be, the licensing authority shall grant the mining lease.

(2) The licensing authority shall not grant a mining lease in relation to any area of land in respect of any mineral or group of minerals if, at the time of the application, any person other than the applicant holds-

- (a) any exploration licence conferring an exclusive right to carry on exploration operations in that area of land in respect of that mineral or group of minerals;
- (b) any mining concession in relation to that area of land in respect of that mineral or group of minerals; or
- (c) any mineral deposit retention licence in relation to that area of land and in respect of that mineral or group of minerals, unless -
 - (i) that other person agrees to the grant of the mining lease; and
 - (ii) the licensing authority deems it desirable to grant the mining lease in the interest of the development of mineral resources of Balochistan.

(3) Subject to sub-rules (4) and (5), a mining lease shall not be granted-

- (a) unless -
 - (i) the feasibility studies show that the mine can be profitably developed and operated;
 - (ii) the proposed plans for development and operation of the mine and the programme of the mining operations of the applicant will ensure the efficient, beneficial and timely use of the mineral resources;
 - (iii) the applicant in question has or can obtain the technical and financial resources and experience to carry out mining operations effectively;

- (iv) the applicant is a fit and proper person to hold the lease;
 - (v) the proposals submitted with the application are satisfactory; and
 - (vi) it is in the interest of the development of the mineral resources of Balochistan to grant the lease;
- (b) if at the time of the application the applicant in question is in default.
 - (c) in respect of an area of land exceeding 250 square kilometers unless the licensing authority is satisfied on reasonable grounds that special circumstances exist which justify the grant of the lease in respect of a larger area for the efficient development of the mineral resources.

(4) The licensing authority shall not refuse to grant a mining lease to the holder of a mineral title referred to in sub-rule (1) -

- (a) in accordance with sub-rule (3) (a), unless the licensing authority has -
 - (i) by notice in writing informed the applicant, of its intended refusal and the reasons there for;
 - (ii) afforded the applicant an opportunity to make, within such reasonable period as may be specified in the notice, representations in relation to all matters relating to its intention and, if the applicant so desires, to make proposals in relation to any such matters; and
 - (iii) taken any such representations into consideration;
- (b) in accordance with sub-rule (3) (b), unless the licensing authority has, by notice in writing, informed the applicant, of its intended refusal -
 - (i) setting out particulars of the alleged default; and
 - (ii) requiring the applicant to make

representations to the licensing authority in relation to the alleged default or to remedy the default on or before a date specified in the notice, and the applicant has failed to remedy the default or make such representations as, in the opinion of the authority, would remove the ground for the intended refusal.

(5) The licensing authority shall not refuse to grant a mining lease on the ground that any proposal submitted with the application are inadequate or unsatisfactory unless the licensing authority has, by notice in writing, informed the applicant accordingly and afforded the applicant a reasonable opportunity to modify those proposals.

49. Issue of mining lease.- The provisions of Rule 20 shall apply with necessary modifications in relation to the issue of a mining lease, and for that purpose any reference in those provisions to “reconnaissance licence” “reconnaissance area” and “reconnaissance operations” shall be construed as a reference to “mining lease” “mining area” and “mining operations”.

50. Application for renewal of mining lease.- (1) Subject to sub-rule (2), the provisions of Rules 47 and 48 shall apply with necessary modifications in relation to an application for the renewal of a mining lease under this Rule.

(2) An application for the renewal of a mining lease shall be made not later than twelve (12) months before the date of expiration of the lease or such later date, but not later than such date of expiration, as the licensing authority may allow, on good cause shown.

(3) Subject to sub-rule (4), on application duly made, the lease may be renewed in accordance with Rule 48 (1) (b) with or without a variation of the conditions of the lease.

51. Application for amendment of mining lease.- (1) Subject to sub-rule (2), the lessee may apply for the amendment of the lease-

(a) by the extension or reduction, or both, of the mining area to which the lease relates; or

(b) by the addition of any mineral or group of minerals, or associated minerals discovered in the mining area, and not included in the lease.

(2) The provisions of sub-rules (1) of Rule 10 and Rules 45 and 46 shall apply with necessary modifications in relation to an application under sub-rule (1).

(3) If an application under sub-rule (1) is granted by the

licensing authority, it shall amend the mining lease accordingly.

52. Obligations of lessee.- (1) Subject to sub-rule (2), the provisions of Rule 31 (obligations) shall apply with necessary modifications in relation to a mining lease and for that purpose, the reference in that Rule to “exploration area” or “licensee” shall be deemed to be a reference to “mining area” or “lessee”.

(2) It shall be a condition of a mining lease that the holder shall commence mining operations in the mining area within six months of the issue of the lease and shall carry on those operations in accordance with the approved plan for development and operation of the mine.

(3) Any material change in the plan for development and operation of the mine and the programme of mining operations after the lease is granted, shall require the approval in writing of the licensing authority.

53. Notice of cessation of mining operations.- The lessee shall give notice in writing to the licensing authority of any intention to temporarily cease mining operations, or to reduce the normal rate of production, on a date not later than thirty days in the case of an intended cessation of mining operations.

54. Action by licensing authority. On receipt of a notice referred to in Rule 51, or if the licensing authority has reason to believe that the lessee has ceased, whether permanently or temporarily, or reduced, mining operations, the licensing authority may cause the matter to be investigated and –

- (a) give its approval to the cessation or reduction on such conditions (if any) as the authority may determine; or
- (b) refuse to give approval, and give such directions to the lessee as the authority deems appropriate.

55. Unit development.- (1) This Rule applies where the licensing authority determines that –

- (a) in the interest of the effective recovery of minerals from neighboring or contiguous mining areas; or
- (b) in the national interest in order to secure the rational development and ultimate recovery of any minerals from neighboring or contiguous mining areas, it is desirable that the lessees in those areas should co-ordinate their operations of develop their deposits as a unit.

(2) Subject to sub-rule (3), where this Rule applies, the licensing authority may, in writing, direct the lessees concerned, stating the reasons for such direction -

- (a) to enter into an agreement, within the period specified in the direction, for or in relation to the co-ordination of their operations or the development of their deposits; and
- (b) to lodge that agreement with the licensing authority forthwith for approval.

(3) Before giving any direction under sub-rule (2), the licensing authority shall afford each lessee concerned a reasonable opportunity to make representations to the licensing authority in writing with regard to the proposed direction.

(4) Where -

- (a) an agreement is not lodged as required by sub-rule (2); or
- (b) an agreement so lodged is not satisfactory to the licensing authority, the licensing authority may cause a plan to be prepared in accordance with good mining practices, and afford each lessee concerned a reasonable opportunity to make representations to the licensing authority in writing with regard to the plan.

(5) Each lessee concerned shall perform and observe the conditions of -

- (a) a plan which is satisfactory to the licensing authority; or
- (b) a plan, (with or without modifications as a result of any representations made pursuant to sub-rule(4), prepared under that sub-rule.

56. Records, and reporting by lessee.- (1) The lessee shall prepare and keep at an address in Balochistan, in a form acceptable to the licensing authority, proper records of-

- (a) the mining operations referred to in Rule 45 (1) stating -
 - (i) the nature, appraisal and results of all mining operations carried on in, or in connection with, the mining area to which such mining lease relates;

- (ii) the nature and mass or volume of any mineral or group of minerals won or mined, or found or incidentally won in such mining area and treated or stockpiled in such mining area or elsewhere;
- (iii) the nature, mass or volume and value of any such mineral or group of minerals sold or otherwise disposed of the amount of money received and, the full names and addresses of person to whom such mineral or group of minerals was sold or otherwise disposed of;
- (iv) the nature and mass or volume of any waste removed from such mining area and the manner in which it was disposed of;
- (v) the nature, location and results of all photo geological studies, imaging, geological mapping, geochemical sampling, geophysical surveying, drilling, pitting and trenching, sampling and bulk sampling, and all other activities undertaken by lessee in the course of such exploration operations;
- (vi) the results of all analytical, metallurgical and mineralogical work incidental to such exploration operations;
- (vii) the interpretation and assessment of the studies, surveys and work referred to in sub-paragraphs (v) and (vi);
- (viii) The nature, mass or volume and value of any mineral or group of minerals found or incidentally won in the course of such mining operations;
- (ix) the capital and operating expenditure incurred by such lessee in the course of such exploration operations; and
- (x) such other information as may be required by the licensing authority.

(2) The lessee shall also cause to be prepared, by a registered mine surveyor, in accordance with the Sixth Schedule, accurate plans and maps in respect of the mining area and such plans and maps shall be kept in the office of the mine.

(3) The lessee shall submit within 15 days after the end of each quarter, or such other periodic interval as may be required by the licensing authority, in a form acceptable to the licensing authority, a return or returns containing in

relating to such quarter -

- (i) such details of the particulars and information contained in the records referred to in sub-rule (1) as may be required by the licensing authority by notice in writing to the lessee;
- (ii) all information, including photographs, tabulation, tapes and discs, in the records referred to in sub-rule (1) and the plans and maps referred to in sub-rule (2);
- (iii) an estimate of the remaining mineral reserves in such mining area properly illustrated by way of plans and maps according to an appropriate scale;
- (iv) particulars of any proposed mining operations during the succeeding year, together with a forecast of the source of such mining operations in terms of delineated mineral reserves; and
- (v) such other reports, records and information as the licensing authority may require in relation to the mining operations carried on by the lessee in such mining area.

(4) The lessee shall submit to the licensing authority within 60 days after 31 December in each year, returns or reports as follows;

- (a) the returns or reports shall be in duplicate and in a form acceptable to the licensing authority;
- (b) the returns or reports shall contain, in relation to each year such summary of the particulars and information contained in the records referred to in sub-rule (1) as may be required by the licensing authority by notice in writing to the lessee;

(5) In the event of the cancellation or surrender of a mining lease under Rule 57 or Rule 58 or the expiration of the term of the mining lease, the person who was the lessee immediately before such cancellation, surrender or expiration shall, on a date not later than 180 days after the date of such cancellation, surrender or expiration, deliver to the licensing authority-

- (a) all records kept in accordance with sub-rule (1);
- (b) all maps and plans referred to in sub-rule (3);
- (c) all reports, photographs, tabulations, tapes and discs prepared by or on behalf of such person in the course of operations; and
- (d) such other books, documents, records and reports

as the licensing authority may require, or copies of the items referred to in paragraphs (a) to (d).

**Division 6 – Cancellation and surrender of mineral titles
or mineral concessions**

57. Cancellation of mineral titles or mineral concessions (1) Subject to this Rule and to Rule 65, where the holder of a mineral title or a mineral concession;

- (a) fails to use in good faith the land subject to the title or concession for the purpose for which the title or concession was granted;
- (b) uses that land for any purpose other than the purpose for which the title or mineral concession was granted;
- (c) fails to comply with any requirement of these Rules with which the holder is bound to comply;
- (d) fails to comply with a condition of the title;
- (e) fails to comply with a direction lawfully given under these Rules or with a condition on which any certificate of surrender is issued or on which any exemption or consent is given under these Rules;
- (f) fails to pay royalty and annual rental payable under Rule 104 (2) and 108 (3) until the expiry of the fourth month after the amount becomes due; or
- (g) persistently contravenes provision of any of the rules, the licensing authority may cancel the title or the concession on that ground, by notice in writing served on the holder of the title or the concession.

(2) Before canceling a title under sub-rule (1), on a ground referred to in that sub-rule, the licensing authority shall-

- (a) by notice in writing served on the holder of the title or the concession give not less than thirty days notice of its intention to so cancel the title or the concession on that ground;
- (b) specify in the notice, a date before which the holder of the title or the concession may, in writing, submit any matter which the holder wishes the licensing authority to consider; and

(c) take into account -

(i) any action taken by the holder of the title or the concession to remove that ground or to prevent the recurrence of similar grounds; and

(ii) any matter submitted to the authority by the holder of the title or the concession pursuant to paragraph (b).

(3) The licensing authority shall not cancel a title or concession under sub-rule (1) on a ground referred to in paragraph (f) of that sub-rule if, before the date specified in a notice referred to in sub-rule (2), the holder of the title or the concession pays the amount of money concerned together with any penalty arising pursuant to the relevant Rule.

(4) The licensing authority may, by notice in writing served on the holder of a mineral deposit retention licence, cancel the licence if the holder fails to make application for a mining lease.

(5) The licensing authority may, by notice in writing served on the holder of a mineral title or the mineral concession cancel the title or concession -

(a) if the holder (being an individual) is -

(i) adjudged bankrupt; or

(ii) enters into any agreement or scheme of composition with creditors or takes advantage of any law for the benefit of debtors;

(b) if, in the case of a holder that is a company, an order is made or a resolution is passed for winding up the affairs of the company, unless the winding up is for the purpose of amalgamation or reconstruction and the licensing authority has been given notice thereof; or

(c) if the mineral title or the mineral concession was obtained by fraud or misrepresentation.

(6) Where an application has been made under Rule 64 for the transfer of a mineral title or a mining concession or of rights or interests to or in a mineral title or mining concession consequent on the death of an individual who is the holder of the title or concession, the licensing authority shall not cancel the title or the concession unless the authority has refused to grant the transfer.

(7) Where a mineral title or a mineral concession is held by two or more persons, the licensing authority shall not, under sub-rule (5), cancel the title or mineral concession, in relation to one or some only of the person on the occurrence of an event entitling the licensing authority to so cancel the mineral title or the mineral concession unless the authority is satisfied that any other person or persons who hold that title or concession are unwilling, or would be unable, to carry out the duties and obligations of the holder of that mineral title or mineral concession.

(8) On the cancellation of a mineral title or a mineral concession the rights of the holder there under shall cease, but the cancellation does not affect any liability incurred before the cancellation and any legal proceedings that might have been commenced or continued against the former holder of the title or concession may be commenced or continued against that former holder.

58. Surrender of mineral titles and mineral concession.- (1) The holder of a mineral title of mineral concession who wishes to surrender all or part of the land subject to the mineral title or the mineral concession shall, not less than three months before the proposed date of surrender, apply to the licensing authority for a certificate of surrender in respect of the land.

(2) An application under sub-rule (1) shall -

(a) state the date on which the applicant wishes the surrender to have effect;

(b) if part only of the land subject to the title or the concession is to be surrendered, identify the land to be surrendered by a description and the inclusion of a map identifying that part;

(c) contain particulars of reconnaissance, exploration or mining operations, as the case may be, carried on in respect of the land to be surrendered; and

(d) be supported by such records and reports in relation to those operations as the licensing authority may reasonably require.

(3) Subject to sub-rule (4), on application made under sub-rule (1), the licensing authority shall issue a certificate of surrender in respect of the land to which the application relates either unconditionally or subject to such conditions as are specified in the certificate.

(4) The licensing authority shall not issue a certificate of

surrender-

- (a) to an applicant who is in default;
- (b) to an applicant who fails to comply with any reasonable requirement of the licensing authority for the purposes of sub rule (2) (d); or
- (c) if the authority is not satisfied that the applicant will leave land to be surrendered and on which reconnaissance, exploration or mining operations have been carried on, in a condition which is safe and which accords with good reconnaissance, exploration or mining practices.

59. Effect of certificate of surrender.- (1) Where, pursuant to Rule 58 (3), a certificate of surrender is issued, the licensing authority –

- (a) shall, if part only of the land subject to a mineral title or mineral concession is surrendered, cause the title or permit to be amended accordingly; or
- (b) shall, in any other case, cause the mineral title or mineral concession to be cancelled; and, in either case, the authority shall give to the applicant, notice in writing of the amendment or, as the case may be, the cancellation, and of the issue of the certificate of surrender.

(2) Land in respect of which a certificate of surrender is issued shall be treated as having been surrendered with effect from the date on which a certificate of surrender is given to the applicant pursuant to sub-rule (1).

(3) The surrender of any land does not affect any liability incurred before the date on which the surrender has effect in respect of the land, and any legal proceedings that might have been commenced or continued against the holder or, as the case may be, the former holder may be commenced or continued against that former holder.

Division 7 – Registration and transfer of mineral titles and mineral concessions

60. Titles and Concessions Register.- The licensing authority shall cause a record to be made, in a Titles Register and Concession Register kept for the purpose, of every mineral title or mineral concession issued and of any dealings with or affecting a mineral title or mineral concession specifying –

- (a) the number of the mineral title or mineral concession;

- (b) the name and address of the holder;
- (c) the date of issue and the period for which the title or the concession is granted;
- (d) the mineral or group of minerals for which the title or the concession is granted;
- (e) the total area;
- (f) the date of any renewals;
- (g) annual rental and rate of royalty;
- (h) the date of any assignment or transfer;
- (i) the date of any surrender or cancellation of the title or concession;
- (j) the date of any amendments to the title or concession; and
- (k) such other information as the licensing authority may consider necessary.

61. Inspection of Titles and Concessions Register, etc.- The Titles register and the Concession Register shall, on application, be open for inspection by the applicant who may take copies of any title or concession or entry in the Register, on payment of the appropriate fee set out in the First Schedule, or such other fee as may be notified by the Government, from time to time, in the Official Gazette.

62. Rectification of Titles and Concessions Register.- Where the licensing authority is satisfied that there has been a mistake made in, or that some matter has been incorrectly entered in, or omitted from, the Titles Register or the Concession Register it shall rectify the Register by correcting that mistake or incorrect entry.

63. Register of mine surveyors.- (1) The licensing authority shall maintain a register of mine surveyors, to be known as registered mine surveyors, who

- (a) possess such qualifications;
- (b) apply to the licensing authority to be entered in the register; and
- (c) in the opinion of the licensing authority, are competent to-
 - (i) carry out boundary demarcations and make surveys, both underground and above ground; and
 - (ii) prepare plans required under these Rules.

(2) An application under sub-rule (1) (b) shall be accompanied by the fee specified in the First Schedule, or such

other fee as may be notified by the Government, from time to time, in the official Gazette.

(3) Where it appears to the licensing authority that a registered mine surveyor has committed gross negligence or misconduct in the discharge of any duties under these Rules the licensing authority shall-

(a) afford the registered mine surveyor a reasonable opportunity to be heard on the matter; and

(b) if satisfied, after hearing the registered mine surveyor, that gross negligence or misconduct was committed, remove the name of that mine surveyor from the register.

(4) The fact that a person's name is entered in the register kept under this Rule shall not be construed or used as evidence of that person's professional or academic qualification.

64. Transfer, or assignment of mineral titles or mining lease (SSM).- (1) A transfer or assignment of a mineral title or mining lease (SSM) or of rights or interests to or in such titles or mining lease shall have no effect unless:-

(a) the licensing authority, in writing, approves that transfer or assignment; and

(b) the transfer or assignment is to a person capable of holding the title or concession under these Rules.

(2) Where an application is made to the licensing authority for any approval referred to in sub-rule (1) the licensing authority may, subject to sub-rule(3) and (5), give its approval, subject to such conditions as it deems necessary in the circumstances.

(3) Subject to sub-rule (4) the licensing authority shall not give its approval to any dealings referred to in sub-rule (1)-

(a) with a reconnaissance licence

(b) with an exploration licence during the first two years of its term;

(c) with an exploration licence or a mining lease (LSM) where the participating interest of the proposed assignor or proposed assignee shall be less than 10% of the total participating interest of the parties constituting the licensee or lessee; or

(d) unless the licensing authority is satisfied on reasonable grounds that-

(i) the proposed assignee or transferee has

the financial and technical resources to undertake the obligations under the mineral title the proposed assignee or transferee is a fit and proper person to hold the mineral title;

(ii) the proposed assignment or transfer will not adversely affect operations under the mineral title; and

(4) An application under this Rule shall-

(a) be in the form set out in the Seventh Schedule, or such form as may be approved by the licensing authority;

(b) be accompanied by the fee set out in the First Schedule or such other fee as may be notified by the Government, from time to time, in the Official Gazette.

(c) contain, in respect of the proposed assignee or transferee, the information referred to in Rule 18(1)(a) and (f) (technical and financial resources) and all other relevant information required in respect of an applicant for a mineral title or mining concession and;

(c) be accompanied by an unconditional undertaking by the proposed assignee or transferee to assume all the obligation of the proposed assignor and to comply with all the terms and conditions if approval for the assignment is granted.

(5) The licensing authority may require any applicant for any approval referred to in sub-rule (2) to furnish to it such information as it may reasonably require to enable it to dispose of the application and the applicant shall comply with the requirement.

(6) No licensee or lessee shall sublet, the mine for the purpose of extraction of the mineral.

Explanation.- Sub-letting includes such act on the part of a licensee or a lessee whereby the liberties, powers, privileges and obligation under the license or lease as the case may be, are transferred to a third party in respect of the area demised under the license/lease or any part thereof but shall not include winning of mineral through labour contractor while the Licensee or the Lessee continues to be in full control of all operations, remains responsible for all managerial, administrative, technical, commercial and financial obligations and activities and the mineral won is the property

of the Licensee or the Lessee.

Division 8 – Miscellaneous provisions

65. Force majeure. (1) Failure on the part of the Licensee or Lessee to fulfill any of the terms and conditions of these Rules shall not give the licensing authority or the Government any claim against the Licensee or Lessee for the breach of the terms and conditions of the licence or lease in so far as such failure arises from force Majeure.

(2) Under this Rule the expression, Force Majeure means an act of God, war, insurrection, riot, civil commotion, tide, storm, tidal wave, flood, lightning, explosion, fire, earthquake and any other happening which the Licensee or Lessee should not reasonably, prevent or control.

(3) The provisions of this Rule shall not be construed as exempting any holder of a mineral title or mineral concession from complying with any obligation under the mineral title or mineral concession or these Rules to pay any royalties, annual charges, rent or fees, which may have become due prior to the Force Majeure.

66. Joint liability.- Where a mineral title or a mineral concession is held by more than one holder, the liability of the holders under these Rules in respect of any breach thereof, shall be joint and several.

67. Competitive bids.- The licensing authority may, on such conditions as it thinks fit, invite competitive bids on an open basis;

(a) for the issue of an exploration licence or a mining lease or mining concession in respect of any area of land which is not subject to -

(i) a reconnaissance licence, which gives the holder, an exclusive right referred to in Rule 16 (3);

(ii) an exploration licence, a mining lease or a mineral deposit retention licence or a mining concession; or

(iii) litigation or arbitration;

(b) where several applications have been received in respect of the same area for the same mineral; or

(c) on an area of land which has proven mineral reserves and has become available for the issue of an

exploration licence or mining lease or mining concession as a result of the relinquishment, surrender, termination or, subject to paragraph(a)(iii), the cancellation of a licence or lease with respect to that area of land.

68. Performance guarantees.- (1) A person shall, at the time of the grant of a mineral title, or mineral concession other than a reconnaissance licence, lodge with the licensing authority security for compliance with the holder's obligations under these Rules.

(2) A security under sub-rule (1) shall be by way of bank guarantee, parent company guarantee or in the form of National Defence Savings Certificate.

69. Indemnity.- The holder of a mineral title shall indemnify the Government against all claims, demands, injury or damage of any kind (including, but not limited to, claims for loss or damage to property or injury or death to persons) resulting from any act or omission by the holder in the conduct of mineral operations.

70. Appeal.- (1) Subject to the terms of a mineral agreement, a mineral title or a mineral concession any person aggrieved by a decision of the licensing authority in respect of any matter or dispute regarding the mineral title or mineral concession may, within thirty days of the date of that decision, appeal against that decision to the Government in the appropriate department.

Explanation:- Appropriate department mean the Secretary Department of Mines & Minerals, Government of Balochistan.

(2) A person who lodges an appeal pursuant to this Rule, shall pay in respect of that appeal, the fee specified in the First Schedule or such other fee as may be notified in the Official Gazette.

(3) Every appeal on proper format in quadruplicate shall be accompanied by:-

(a) Original receipted challan of the appeal fee;

(b) An attested copy of the impugned order;

(4) The decision of the Government of such appeal shall be final.

(5) The Government, while hearing the appeal under sub-rule(1) may, if it so considers necessary in the interest of justice, grant a stay order;

Provided that no such order shall be passed in respect of Government dues unless the appellant deposits 25% of the disputed amount with the licensing authority.

71. Rights over data.- (1) Subject to sub-rule (2), the Government shall have the exclusive right to all data including geological, geophysical, geochemical, petrophysical, engineering, pit logs, maps, magnetic tapes, cores and production data, as well as all interpretative and derivative data including reports, studies, analysis, interpretations, bulk sampling results, assaying results, evaluations and other information in respect of exploration or mining operations.

(2) Subject to sub-rule (3), the holder of a mineral title or mineral concession shall have the right to make use of the data referred to in sub-rule (1), free of cost, for the purpose of exploration or mining operations and to retain copies or samples of material or information constituting the data.

(3) Data permitted to be used or retained as provided in sub-rule (2), which is not in the public domain, shall not be disclosed to any person without the prior consent of the licensing authority, except-

- (i) as may be necessary for the purpose of, or in connection with, exploration and mining operations; or
- (ii) as required by law, or for the purpose of arbitration or litigation.

PART IV – SPECIAL PROVISION RELATING TO SMALL SCALE MINING

Division 1 – General

72. Small scale mining.- For the purposes of these Rules, “small scale mining” means mining determined by the licensing authority to be small scale mining by reason of –

- (a) the likely scale of capital investment being less than 300 million Rupees or such other amount as may be determined by the licensing authority from time to time by notification in the Official Gazette;
- (b) the expenditure and work programme proposed by the applicant;
- (c) the nature of the techniques to be used in mineral operations;
- (d) the likely scale of the operations and infrastructure to be required;
- (e) the mineral or group of minerals to be mined; and
- (f) such other factors as may be relevant to making the determination.

73. Persons who may hold mineral concession.- A person may not hold a mineral concession unless the person-

- (a) is a citizen of Pakistan; or
- (b) is a company formed by or under a law for the time being in force in Pakistan whose articles of association contain a provision that-
 - (i) only citizens of Pakistan may own shares in the company;
 - (ii) only another company whose articles of association contain such a provision may own shares in the company; or
 - (iii) only a citizen of Pakistan and a company referred to in sub-paragraph (ii) may own shares in the company.

74. General condition- The provisions of Rules 13, shall apply to the holder of a mineral concession with necessary modification as may be specified in the concession having regard to the nature and scale of the prospecting operations or mining operations determined by the licensing authority pursuant to Rule 72.

Division 2 – Prospecting Licence

75. Rights and obligations of holder of prospecting licence.- (1) Subject to sub-rule (2), the holder of a prospecting licence shall be entitled to carry on prospecting operations in the prospecting area for any mineral to which the licence relates;

(2) The provisions of paragraphs (b), (c), (d), and (e) of sub-rule (1) of Rule 23 and sub-rules (2), (3) and (4) of that Rule shall apply with necessary modification in relation to the holder of a prospecting licence as they apply in relation to a licensee under Rule 23.

(3) The holder of a prospecting licence shall not exercise any rights conferred by sub-rule (1) -

- (a) in respect of any mineral or group of minerals on land forming part of reconnaissance area in relation to which an exclusive right referred to in Rule 16 (3) has been conferred upon any person in respect of that mineral or group of minerals;
- (b) on land in an exploration area, a mining area, a retention area or in an area subject to a mining lease; or
- (c) on land in relation to which an application is pending for an exploration licence, a mineral deposit

retention licence, a mining lease.

(4) The provisions of Rule 31 shall apply with necessary modifications in relation to the holder of a prospecting licence as they apply in relation to licensee under that Rule.

76. Application for prospecting licence.- (1) An application for the grant of a prospecting licence shall be in the respective form set out in the Seventh Schedule.

(a) in the case of an individual, the full names, nationality, date of birth and the postal and residential address of the person;

(b) In case of a partnership firm an authenticated copy of partnership deed, and in the case of Registered firm, a copy of the Registration Certificate from Register of the Firms/Companies.

(c) in the case of a company, its name, particulars of its incorporation and registration, its registered address and principal place of business in Balochistan and the names, addresses and nationalities of the directors and shareholders of the company;

(d) the applicant's financial and technical resources;

(e) shall be accompanied by a non-refundable fee specified in the First Schedule.

(f) shall be accompanied by 16 copies of the map duly signed and showing the boundaries and areas of the land in respect of which the prospecting has been applied for. The map shall be prepared from Survey of Pakistan. Map of the scale 1:50,000 or nearest scale available.

(g) shall in relation to the minerals specified in the first column of the Fourth Schedule, be made in respect of the area of land specified in the third and fourth columns of that Schedule, in relation to each such mineral;

(h) shall identify the minerals in respect of which the licence is required;

(i) shall be accompanied by such documents as the licensing authority may require in relation to any matter referred to in Rule 72 or this Rule; and

(j) may contain any other matter, which, in the

opinion of the applicant, is relevant to the application.

77. Disposal of applications for prospecting licence.- (1) On application made for the grant of a prospecting licence, the licensing authority may, subject to these Rules, grant the licence on such conditions as the authority may determine, or refuse to grant the licence.

(2) The licensing authority shall not grant a prospecting licence under sub-rule (1) -

(a) in respect of an area of land which is less or more than the minimum and maximum areas specified in the third and fourth columns of the Fourth Schedule in relation to the mineral specified in the first column in that Schedule except as provided in Rule 3.

(b) for a period exceeding two year;

(3) The provisions of sub-rules (2) and 3(a) and (b) of Rule 27 shall apply, with necessary modifications in relation to prospecting licence as they apply to in relation to a licence under that Rule.

78. Issue of prospecting licence.- The provisions of Rule 20 shall apply, with necessary modifications in relation to the issue of a prospecting licence as they apply in relation to the issue of a licence under that Rule and, for that purpose, any reference in those provisions to “reconnaissance licence” “reconnaissance area” and “reconnaissance operations” shall be construed as a reference to “prospecting licence” “prospecting area” and “prospecting operations”.

79. Duration of prospecting licence. Subject to these Rules, a prospecting licence shall be valid for a period of not less than two years from and including the date on which it is issued, as may be determined by the licensing authority and specified in the licence.

80. Prospecting licence may not be transferred, etc. A prospecting licence shall not be transferred or renewed, and the holder of a prospecting licence shall not grant, or assign any interest in or right to any such licence to any other person.

81. Records, and reporting by holder of prospecting licence.- (1) The holder of a prospecting licence –

(a) shall keep at an address in Balochistan, in a form acceptable to the licensing authority, proper records of -

(i) the nature and mass or volume of any mineral or group of minerals found or incidentally produced and in the course of carrying on prospecting operations; and

(ii) all maps, geological reports, including interpretations, mineral analysis, photographs, ore logs, analysis and tests and all other data obtained by the holder in respect of prospecting area; and

(iii) Such other information as may be determined by the licensing authority and specified by notice in writing given to the holder; and shall retain such records for a period of not less than three years as from the date of expiration of the licence; and

(b) Shall, upon the request of the licensing authority, produce the record referred to in paragraph (a), or copies thereof, to the licensing authority for inspection.

(2) The provisions of sub-rule (2) of Rule 33 shall apply, to the holder of prospecting licence subject to such necessary modifications as may be specified in the licence having regard to the nature and scale of the prospecting operations determined by the licensing authority pursuant to Rule 72, and, for that purpose, any reference in that sub-rule to the licensee shall be construed as a reference to the holder of prospecting licence.

(3) The holder of a prospecting licence shall submit to the licensing authority, after the end of each quarter, a return or returns containing such quarter, the progress of work carried out by him and shall abide by the instructions issued by the licensing authority from time to time in respect of the prospecting work.

Division 3 – Mining Lease

82. Rights and obligation of holder of mining lease.- The provisions of Rules 45 and 52 shall apply with necessary modifications in relation to a mining lease held by Small Scale Mining holder.

83. Application for mining lease.- (1) An applicant for the grant of a mining lease:-

(a) shall submit along with the application a complete exploitation scheme for the approval of the licensing authority for working and exploiting the mineral under technically qualified personnel. The scheme shall be prepared and authenticated by qualified technicians having technical qualifications prescribed in Form –I.

The exploitation scheme shall inter-alia include:-

(i) a statement of expenditure incurred by the Licensee during prospecting, duly audited and

certified by a Registered Firm of Auditors / Chartered Accountants;

(ii) detailed maps of the area of which at least one third would 5" -1" show the geology of the area in detail on a scale of mile minimum;

(iii) location and description of major deposits;

(iv) estimates of proved and probable reserves;

(v) minimum rate of production;

(vi) methods of mining including machinery and equipment to be used;

(vii) technical personnel to be employed at various states of exploitation;

(viii) details of roads and other surface as well as under ground construction such as store and lamp room, workshops, beneficiation or mineral dressing plants, offices, residential accommodation and other amenities for staff and labour to be constructed, etc., and

(ix) estimated phased expenditure on the scheme.

(b) (i) shall furnish banker's guarantee for such reasonable sums as the licensing authority may fix at the time of scrutinizing the scheme submitted under sub-rule (a) (1) above.

(ii) The licensing authority may approve the exploitation scheme subject to such modifications as the licensing authority may prescribe. No change in the approved exploitation scheme shall be made by the Lessee without prior approval in writing of the licensing authority.

(iii) If the scheme of exploitation does not fulfill all the requirements of Rule 83 it shall be rejected. The applicant whose scheme has been rejected shall submit a revised scheme of exploitation within three months from the date of rejection failing which his application for the grant of mining lease shall be rejected and the prospecting licence shall also stand cancelled.

(iv) A copy of the approved exploitation scheme shall be kept by the Lessee at the mine.

(v) In addition to the information supplied under sub-Rule (2) clause (i) above, the applicant shall also, where necessary, as required by the

licensing authority furnish plans or sections to illustrate, justify or amplify the exploitation scheme.

(c) shall state the period not exceeding 30 years for which the lease is required and the mineral or group of minerals to which the application relates;

(d) shall in relation to the minerals specified in the first column of the Fourth Schedule, be made in respect of the area of land specified in the third and fourth columns of that schedule in relation to each such mineral; and

(e) shall describe the mineral deposits in the area of land over which the lease is sought;

(2) The provisions of sub-rules (1) and (7) of Rule 10 shall apply with necessary modifications in relation to an application under sub-rule (1).

84. Disposal of application for mining lease.- Subject to these Rules, the provision of Rule 77 shall apply for the grant of mining lease with necessary modification in relation to a prospecting licence.

85. Requirement to apply for mining lease. (1) Where a person applies for a mining lease, the licensing authority may, subject to this Rule, require the applicant to apply for a mining lease (Large Scale Mining) instead of a mining lease (Small Scale Mining) if the authority determines having regard to Rule 72, that the application is not in respect of small scale mining.

(2) Before requiring an applicant to apply for a mining lease the licensing authority shall -

(a) give notice in writing to the applicant of the authority's intention stating the reason there for;

(b) afford the applicant an opportunity within such reasonable period as is stated in the notice to make representations with regard to that intention; and

(c) take into account any representations so made.

86. Duration of mining lease.- (1) Subject to these Rule, a mining lease-

(a) shall be valid for a minimum period not less than ten years and more than 30 years.

(b) may be renewed for such further periods not exceeding 30 years on each occasion.

(2) Notwithstanding the provisions of sub-rule (1) but subject to these Rules, where an application is made by the holder of a mining lease for the renewal of the lease in relation to a mineral or group of minerals to which the lease relates the lease shall not expire in relation to that area of land and that mineral or group of minerals until the application is refused, or withdrawn or lapses, whichever first occurs, or if the application is granted, until issue of the instrument of renewal.

87. Application for renewal of mining lease.- (1) Subject to sub-rule (2), the provisions of Rule 77 shall apply, with necessary modifications in relation to an application for the renewal of a mining lease.

(2) An application for the renewal of a mining lease shall be made not later than twelve months before modification the date of expiration of the lease or such later date, but not later than such date of expiration, as the licensing authority may allow, on good cause shown.

(3) On application duly made, the lease may be renewed in accordance with Rule 86(1)(b) with or without a variation of the conditions of the lease.

88. Application for amendment.- (1) The provisions of sub-rules (1) and (3) of Rule 51 shall apply with necessary modifications in relation to a mining lease as they apply to Small Scale Mining in relation to mining lease as they apply to Large Scale Mining under that Rule.

(2) The provision of sub-rule (1) of Rules 10, 83 and 84 shall apply with necessary modifications in relation to an application under sub-rule (1).

89. Records and reporting by holder of mining lease. Subject to this Rule, the provisions of Rule 81 shall apply with necessary modification in relation to a prospecting licence.

90. Keeping the Area Un-Worked/Un-Utilized.- (1) Mining concession holder shall carry out mining operations in a proper skilful and workman like manner over the granted concession. If at any time it is found on inspection that the concession holder is not conforming to the provisions of Prospecting / Exploitation Scheme or has not been able to utilize the entire allotted area or has kept the allotted areas idle for years together continuously, the Licensing Authority shall take action for cancellation of the un-worked / un-utilized area and grant the same under the provisions of these rules.

(2) Before taking action under the above rule the concession holder shall be provided opportunity of being heard to explain his position.

91. Areas granted by in-advertence.- If at later stage it is found that the prospecting licence or mining lease has been granted by inadvertence, the Lessee or Licensee shall release un-conditionally area or part thereof granted under a prospecting licence or a mining lease, if so desired by the licensing authority, and shall have no claim for any compensation.

92. Separate Application to be made for each area and each mineral.- A separate application shall be made in respect of each area and each mineral.

93. Pre-emption.- The Government shall at all times have the right of pre-emption over the minerals lying upon the land in respect of which a licence or lease has been granted or elsewhere under the control of the Licensee or Lessee, provided that the fair market price to the Licensee or Lessee shall be paid for all minerals taken in pre-emption.

94. Arbitration.- Notwithstanding the Provision of Rule 70 any dispute concerning:-

- (a) the cancellation of licence or lease for any violation of the under-taking given in accordance with rule 10 or
- (b) the price of minerals pre-empted by the Government; or
- (c) the price of plant purchased by the Government at the determination of the mining lease or earlier or
- (d) the compensation payable to the lease for any loss damage that may be proved to have been sustained by the Lessee by reason of the Government taking control of works plants and premises of the Lessee; or
- (e) the compensation payable to the Lessee on the Government taking over all the rights of the lease under any mining lease shall be determined by two arbitrators one to be nominated by the Government and the other by the Lessee; and in the case of disagreement between the arbitrators, by a Judge of the High Court of Balochistan appointed by the Chief Justice, on an application by the arbitrators in writing, and the decision of such arbitrators or such judge as the case may be shall be final. The arbitration fee shall be payable to arbitrators in accordance with the Arbitration Act.

95. Local participation.- The licensing authority shall have the right-

- (a) Association of local capital – To require the applicant for the grant of a prospecting licence or a mining lease to associate capital furnished by such residents of the District or the Division where in the area applied for is situated to such extent as may be approved

by the licensing authority.

(b) *Submission of statistical data to Statistical organizations* – To require the Licensee or Lessee to submit statistical data and such information as may be required for the purpose of planning and development to all Government approved Statistical Organizations in such forms as may be prescribed.

(c) To require the Licensee or Lessee to grade, beneficiate, refine and concentrate the mineral to attain the standards fixed by a general or special order of the licensing authority or Government or to set up a plant with in time limit prescribed by the licensing authority, the product of which requires the use of mineral for which prospecting licence or mining lease is held as a major raw material. Violation of any order made by the licensing authority in exercise of its rights under (g) and (h) shall render all the concessions held by him liable to cancellation.

96. Reward for Discovery of mineral (a) Any person other than a public servant directly concerned with prospecting exploration, exploitation or development of mines and mineral discovering a commercially exploitable mineral deposit shall be entitled to a cash reward or option for taking out prospecting licence if he discovers a commercially exploitable mineral deposit other than the one for which he already holds an appropriate prospecting licence or a mining lease.

(b) The discoverer may register his claim with the licensing authority giving the particulars of the area where the mineral occurs furnishing details of his discovery including samples of the mineral found, a copy of plan showing survey details on the scale of 1:50,000 or the nearest scale available showing the area of the occurrence of the mineral. The discoverer may also submit a rough sketch, marking the physical features and whereabouts of his discovery identifying various land marks in and around the discovery.

(c) The registration shall confer on the discoverer a right to get a prospecting licence over the area independently or in association with other suitable persons within these Rules, provided a formal application for the purpose is received by the licensing authority within three months of the date of registration of the discovery.

(d) In case the discoverer does not apply for a prospecting licence within the term specified in sub-rule (c) above, the licensing authority may release the information for the benefit of the public through a press note.

(e) In case of (d) above an initial reward, to be determined by the licensing authority, will be paid to the discoverer by the party who is granted a prospecting

licence over the area. If no private party comes forward to take a prospecting licence after the information of the discovery has been released through a press note, the licensing authority will evaluate the discovery and pay the reward to the discoverer.

(f) The scale of reward shall be as under:-

	Size of deposit	Amount of Award
(i)	Big deposit of which the workable reserve is evaluated at more than Rs. 50 lac.	Rs. 20,000.00
(ii)	Medium size deposit evaluated at Rs.20 to 50 lac.	Rs. 10,000.00
(iii)	Small deposit evaluated at Rs. 10 to 20 lac.	Rs. 5,000.00

The amount of such reward shall be recovered from the beneficiaries of the discovery.

Note: - Radio-active minerals which are already covered by a reward plan of the Atomic Energy Commission, Government of Pakistan are excluded from the purview of the above Rule, Limestone, sand stone, gypsum, calcareous minerals and other minerals of common occurrence are also excluded from the purview of this Rule. Anything the value of which is less than that given in clause (iii) sub-rule (f) above shall be considered as uneconomic. To encourage prospecting for mineral even uneconomic discovery will be rewarded by the licensing authority at the rate of Rs. 250/- per discovery provided that it is proved to be a new discovery and in the opinion of the licensing authority is also of some economic importance or of academic interest.

(g) The payment of rewards to the discovery of mineral shall be made within fifteen months of the registration of the discovery of a mineral deposit. Every registration will be duly acknowledged by the licensing authority.

(h) Every discovery shall be registered on a prescribed form obtainable from the office of the licensing authority or the nearest post office.

97. Training.- The concession holder shall, when asked to do so by the licensing authority, arrange and provide facilities for training of students of any mining engineering college or to any other persons associated with the profession of engineering, geology or other related sciences.

98. Exclusion of land for public purposes. If any or all of the area held under prospecting licence or mining lease (S.S.M) is required at any time for public purpose,

whatsoever, the Licensee or Lessee shall forthwith release to the licensing authority such area to such extent as may be required by the Government under such terms and conditions as it may prescribe.

Provided where any areas excluded as above become subsequently available for the purpose of grant under a prospecting licence or mining lease the previous Licensee or Lessee shall have prior right over such areas.

99. Membership of an Association.- Every concession holder shall become and continue to be a member of an Association representing the interest of the private sector of the mining industry as a whole. There shall be only one such Association for the whole of area or areas over which these Rules apply.

The failure on the part of a concession holder to become such member or continue to be so will be treated as a violation of these Rules and the terms and conditions of the grant of lease.

100. Black Listing for misuse of Import Licenses.- If the licensing authority is of the view that the import facilities granted to the concession holder for the import of machinery and equipment for use in mines has been misused, the licensing authority may disqualify such concession holder for grant of a new prospecting licence or a mining lease for a period of five years.

PART V – FINANCIAL

101. Royalties payable on minerals.- (1) Subject to this Part, the holder of –

(a) a mining lease who has won or mined any mineral or group of minerals in the course of mining operations carried on by the holder; or

(b) an exploration licence, a prospecting licence or a mineral deposit retention licence who has found or incidentally won any mineral or group of minerals in the course of any exploration / prospecting operations carried on by the holder, shall be liable to pay to the Government, in respect of any such mineral or group of minerals disposed of by the holder, royalty determined in accordance with this Part.

(2) For the purposes of this Part any mineral or group of minerals is disposed of if it is -

(a) sold, donated or bartered;

(b) appropriated to treatment or other processing without having been dealt with as provided in paragraph (a) prior to appropriation; or

(c) exported from Balochistan without having been dealt with as provided in paragraph (a) or (b) prior to export.

102. Rate of royalties. (1) Subject to this Part, royalty shall be charged on the fair market value of any mineral specified in Part I of the Third Schedule, to which sub-rule (1)(a) or (b) of Rule 101 applies, at the rate specified in Part II and at flat rates as per detail given in Part III of that Schedule or at such other rate as may be notified by the Government from time to time in the Official Gazette.

(2) For the purposes of sub-rule (1), the fair market value of a mineral or group of minerals is -

(a) where the mineral or group of minerals is disposed of in a sale at arm's length, the sale price;

(b) where the mineral or group of minerals is not so disposed of, the value established, in relation to the kind of disposal concerned, by reference to criteria for the determination of that value, in the mineral agreement, the mineral title under which or pursuant to which the mineral or group of minerals was won or mined; or

(c) where the mineral or group of minerals is not disposed of as provided in paragraph (a) and there are no such criteria as provided in paragraph (b), the amount, determined by the licensing authority, at the date of the disposal, which would, in the opinion of the licensing authority, be paid on international markets or, as the case may be, domestic markets for such mineral or group of minerals in a sale at arm's length by a willing seller to a willing buyer.

(3) For the purposes of sub-rule (2), a sale is a sale at arm's length if, but only if, the following conditions are satisfied with respect to the contract of sale, that is to say -

(a) the contract price is the sole consideration for the sale;

(b) the terms of the sale are not affected by any commercial relationship (other than that created by the contract of sale) between the seller or any other person associated with the seller and the buyer or any person associated with the buyer; and

(c) neither the seller nor any person associated with the holder of the mineral title has, directly or indirectly, any interest in the subsequent resale or disposal of the mineral or group of minerals or any product derived there from.

(4) For the purposes of this Rule, the fair market value, in respect of any mineral or group of minerals which has been

disposed of, shall be determined by reference to the first point at which it was disposed of, without allowing for any deductions from the gross amount so determined.

103. Enhanced royalty. Where pursuant to Rule 9, a mineral agreement makes provision for the payment of royalty by the holder of a mineral title, at an enhanced rate or rates in respect of any mineral or group of minerals won, mined or found as provided in Rule 105, the enhanced rate of royalty shall be determined and payable in accordance with the terms of the agreement, provided that the rate of royalty payable at any time shall not be less than the rate specified in Rule 102.

104. Payment of royalty.- (1) Royalty in respect of any mineral or group of minerals won, mined or found as provided in Rule 101 and disposed of shall be payable on the first day of January and the first day of July each year.

(2) Where the holder of a mineral title or mineral concession failed to pay any amount of royalty as required by sub-rule (1), the following procedure shall be observed:-

(i) the first two months shall be treated as grace period;

(ii) penalty at the rate of 10% of royalty dues shall be charged in case the payment is made after the expiry of the second month next after the due date

(iii) In case royalty along with penalty is not paid until the expiry of the fourth months after the date it first becomes due as stated in sub-rule (2) (i) above action as provided in Rule 57(1) (f) shall be initiated.

(iv) Royalty on all or any minerals in any mining concession area in Balochistan may be realized through contractor by holding open auction for a period not exceeding 5 years. The procedure in this behalf may be prescribed through a Notification by the Government.(please see pages no.173-176)

(3) The holder of a mineral title shall submit, in respect of each month before the 7th of each ensuing month and in such form and detail as the licensing authority may determine, a return showing the quantity and value of minerals produced and disposed of and the amount of royalty to be paid in respect thereof for that month.

(4) The holder of a mineral concession shall submit a monthly production and disposal return on or before the 15th day of each succeeding month to the licensing authority on a form as determined by the licensing authority. A nil return has to be submitted in case there is no production in a month, with reasons thereof. If the returns are not received for three consecutive months the concession shall be liable for cancellation.

(Note :- please see pages no. 173-176 for addition of new rule i.e 104-A)

105. Reduction, or deferment of royalty.- (1) Subject to sub-rule (2), the Government, on the advice of the Department and with the concurrence of the Department of Finance, on application made in writing by the holder of a mineral title, or mining lease (Small Scale Mining) may, by notice in writing to the holder –

- (a) reduce the royalty or penalty payable in terms of this Part; or
 - (b) defer payment of any such royalty or penalty; for such period and on such conditions as may be determined by the Government and specified in the notice, or may refuse to so reduce or defer the royalty or penalty payable.
- (2) The Government may reduce or defer the royalty or penalty payable in accordance with sub-rule (1) only when the holder of the mining title or mining lease (S.S.M) has demonstrated to the satisfaction of the Department and the Department of Finance that, in the absence of the reduction or deferral, the mining operations would, for economic reasons, otherwise permanently cease or be suspended for an indefinite period.

106. Powers of licensing authority in case of failure to pay royalty. If the holder of a mineral title or a mineral concession referred to in Rule 101 fails to pay any royalty payable by the holder in accordance with Rule 104 or, if applicable, on or before such date to which the payment of the royalty has been deferred under Rule 105, the licensing authority before taking action under Rule 57(f) may, by notice in writing to the holder, prohibit.-

- (a) the removal of any mineral or group of minerals from the exploration area, mining area, retention area, the land subject to the mining lease or, in the case of the holder of an mining concession, from the place where the mineral or group of minerals is found, won or mined; and
- (b) any dealings in connection with any mineral or group of minerals found, won or mined from any such area, land or place, until such time as the royalty has been paid, or the payment has been reduced, or deferred under Rule 105.

107. Proof of amounts payable under this Part. In any proceedings to recover in a competent court any amount payable under this Part, a certificate purporting to be a certificate under the hand of the licensing authority certifying that the amount of money specified in such certificate is payable under this Part by any holder referred to in Rule 101 named in such certificate shall be received in evidence as proof of the facts stated in the certificate.

108. Rentals.- (1) The holder of a mineral title or mineral concession shall pay an annual rental in respect of the area to which the mineral title or mineral concession relates in accordance with the Second Schedule, as may be amended from time to time by notification in the Official Gazette.

(2) Payment of the annual rental pursuant to sub-Rule (1) in respect of a mineral title or mineral concession shall be made within thirty days after the date of the issue of the mineral title or mineral concession and thereafter shall be made on first day of July of each fiscal year.

(3) Where any person has failed to pay any amount of annual rental as required by this Rule, the following procedure shall be observed:-

(i) the first two months shall be treated as grace period;

(ii) penalty at the rate of 10% of rental dues shall be charged in case the payment is made after the expiry of the second month next after the due date.

(iii) In case dues along with penalty are not paid until the expiry of the fourth months after the date it first became due as stated in sub-rule (3) (i) above action as provided in Rule 57(1)(f) shall be initiated.

(4) Where the holder of a mineral title or mineral concession surrenders a part of the area of land to which the title or concession relates, that holder shall be entitled to a proportionate reduction of rent, but such reduction shall not take effect during the half year in which the surrender takes place.

109. Surface Rent. The holder of mineral title or mineral concession shall also pay to the private land owner in respect of private lands occupied or used by that holder for the purpose of mineral operations, water rates, if any, assessable under any irrigation rules which would have applied to the land if it had not been occupied for that purpose. If the rent can not be assessed under the laws of the District, the rate may be fixed by the licensing authority.

PART VI – MISCELLANEOUS

110. Compliance with other laws.- Nothing in these Rules shall be construed as authorizing the holder of a mineral title or a mineral concession to do any thing-

(a) which the holder is prohibited from doing under any law for the time being in force; or

(b) otherwise than in accordance with any such law regulating the doing of that thing, and for that purpose obtaining any licence or lease, approval, permission or other document required under any such law.

111. Retention of fees.- Where any application under these Rules is refused, the application fee, which was paid at the time of the application, shall be retained to defer administrative costs.

112. Notice of application made and title and concession issued, etc. (1) Where a mineral title or mineral concession is issued, the licensing authority shall cause notice of that fact to be published in the Official Gazette stating in the notice.

- (a) the name of the holder of the title or concession;
- (b) the nature of the title or concession and the area of land and the mineral or group of minerals to which the title relates; and
- (c) such other particulars as the licensing authority may determine.

(2) Where a mineral title or a mineral concession is renewed, transferred, surrendered or cancelled, or any land subject to a title or concession is surrendered, the licensing authority shall cause notice of that fact to be published in the Official Gazette stating in the notice such particulars as the licensing authority deems necessary to identify the title or concession, and, where applicable, the land surrendered.

113. Removal and sale of property, etc.- (1) Where a mineral title or a mineral concession has been cancelled or surrendered, or the term thereof has expired, or as the case may be, any area of land has ceased to be subject to the title or concession and the holder thereof has failed to comply with the requirements of these Rules or the title or concession in relation to the removal of equipment, installations or structures, the licensing authority may act in accordance with sub-rule (2).

(2) the licensing authority may by notice in writing, direct the person who was the holder of the title or concession immediately after cancellation, surrender, expiration or cessation, to do any or all of the following within period of three months of the date of cancellation.

- (a) to demolish or remove any building or structures or to remove any equipment, debris or other things specified in the notice;
- (b) to take such steps as may be necessary to remedy any damage to the land by any exploration or mining operations carried out by that person;

(3) Where a person referred to in sub-rule (2) fails to comply with a direction given under paragraph (a) of sub-rule (2), the property referred to in that paragraph shall be deemed to be the property of the Government and the licensing authority may-

(a) do or cause to be done, all or any of the things required by the direction;

(b) dispose of all or any of that property, in such manner as it thinks fit, including sale by public auction or public tender, and the proceeds of any such disposal shall be retained by the Government.

114. Weighing of minerals.- The holder of an exploration licence, a mineral deposit retention licence, a mining lease or a mining concession shall-

(a) provide in the exploration area, retention area, mining area or, as the case may be, the area subject to the mining concession, a properly constructed and correct weighing machine or other suitable apparatus for determining the weight of any mineral or group of minerals won or mined in the exercise of the rights referred to in Rules 23, 34, and 45 or, as the case may be, Rule 82;

(b) weigh, sample and test any such mineral or group of minerals, in accordance with good mining practices.

115. Installation of Rope cutter at or near the leased/mining area .- Subject to Rule 15, the holder of concession of dimension stone/onyx/granite is required to install Rope Cutter at or near the leased/mining area. The use of explosives (dynamite) shall dispense with.

116. Power of licensing authority to obtain information.- (1) Where the licensing authority has reason to believe that a person is capable of furnishing information or data relating to reconnaissance, exploration or mining operations, or to minerals won, mined, found or sold or otherwise disposed of, or the value thereof, it may, by notice in writing served on that person, require that person-

(a) to furnish the licensing authority in writing with that information or data, giving particulars, within the period and in the manner specified in the notice;

(b) to attend before a person identified in the notice at such time and place as is so specified and there to answer questions relating to those operations, to

minerals won, mined, sold or otherwise disposed of, or to that information or data; or

(c) to furnish a person identified in the notice, at such time and place as is so specified, with such data as may be in the custody or power of the first mentioned person relating to those operations, or to minerals won, mined or sold or otherwise disposed of, or the value thereof.

(2) A person is not excused from furnishing information or data, or answering a question when required to do so under this Rule, on the ground that the information or data so furnished, or the answer to the question, might tend to incriminate that person or make that person liable to a penalty, but the information or data so furnished or the answer to the question shall not be admissible in evidence against that person in any proceedings other than proceedings for an offence against this Rule.

(3) Where data are furnished, pursuant to a requirement under sub-rule (1) (c), the person to whom the data are furnished may make copies of or take extracts from the data.

(4) In this Rule, “data” includes books, documents, interpretations, tapes, diagrams, profiles and charts, photographs, lines or negatives and includes data recorded or stored by means of any tape recorder, computer or other device and any material subsequently derived from data so recorded.

117. Liability for pollution.- (1) Where in the course of reconnaissance, exploration or mining operations carried on under a mineral title or a mineral concession-

(a) any mineral is spilled on land, or in any water on or under the surface of any land; or

(b) any land or any such water is otherwise polluted or damaged; or

(c) any plant or animal life, whether in water or on, in or under land, is endangered or destroyed; or

(d) any damage or loss is caused to any person, including the Government, by such spilling, pollution or damage, the holder of the mineral title or mineral permit shall forthwith

(i) report such spilling, pollution, loss or damage to the licensing authority; and

(ii) take all such steps as may be necessary in accordance with good reconnaissance, exploration or mining practices or otherwise as may be necessary to remedy the spilling, pollution, loss or damage, and bear the costs

thereof.

(2) If the holder of a mineral title or a mineral concession referred to in sub-rule (1) fails to comply with the provisions of paragraph (ii) of that sub-rule within such period as the licensing authority may deem in the circumstances to be reasonable-

(a) the licensing authority may by notice in writing, order the holder, to take, within such period as may be specified in such notice, such steps as may be so specified in order to remedy the spilling, pollution, damage or loss; and

(b) if the holder fails to comply with the order to the satisfaction of the licensing authority within the period specified in the notice or such further period as the licensing authority may, on good cause shown, allow in writing, the licensing authority may cause such steps to be taken as may be necessary to remedy the spilling, pollution, damage or loss and recover the costs incurred thereby from such holder in a competent court.

118. Service of documents.- (1) Any document, notice or other communication required or authorized under these Rules to be given to or served on any person by the licensing authority or any other person shall be deemed to have been given or served-

(a) if given to or served on such person personally;

(b) if dispatched by registered or any other kind of post addressed to such person at his last known address which may be any such place or office referred to in paragraph (c) or the person's last known post office box number or private bag number or that of the person's employer;

(c) if left with some adult person apparently residing at or occupying or employed at the person's last known abode or office or place of business;

(d) in the case of a company-

(i) if delivered to the public officer of the company;

(ii) if left with some adult person apparently residing at or occupying or employed at its registered address;

(iii) if dispatched by registered post addressed to the company or its public officer at its or the officer's last known address; or

(iv) if transmitted by means of a facsimile transmission to the person concerned at the

registered office of the company.

(2) Any document, notice or other communication referred to in sub-rule (1) which has been given or served in the manner specified in paragraph (b) or (d) (iii) of that sub-rule, shall, unless the contrary is proved, be deemed to have been received by the person to whom it was addressed at the time when it would, in the ordinary course of post, have arrived at the place to which it was addressed.

119. Inspection by authorized officer.- (1) For the purposes of these Rules, an authorized officer may, on behalf of the licensing authority, at all reasonable times –

(a) enter any area, structure, vehicle, vessel, aircraft or building that in the opinion of the authorized officer has been, is being or is to be used in connection with reconnaissance, exploration or mining operations;

(b) inspect and test any machinery or equipment that, in the opinion of the authorized officer has been, is being or is to be used in connection with any of the operations referred to in paragraph (a);

(c) take or remove for the purpose of analysis or testing, or for use in evidence in connection with an offence against these Rules, samples of minerals or other substances from a mine or any area where any of the operations referred to in paragraph (a) are being carried on;

(d) inspect all books, records and accounts, contracts and other documents relating to mineral operations;

(e) inspect, take extracts from, and make copies of -
(i) any data, as defined in Rule 108(4); or

(ii) any maps or plans, relating to any of the operations referred to in paragraph (a); or

(f) may make such examinations and inquiries and issue such orders or directions as are necessary to ensure compliance with the provisions of these Rules, and any directions issued, conditions imposed or orders made, by the licensing authority under these Rules.

(2) Before exercising any powers under sub-rule (1), an authorized officer shall show identification to -

(a) any person who is, or appears to be, in charge of the area, structure, vehicle, vessel, aircraft, building, machinery, equipment or matter or thing in respect of which the power is about to be exercised; and

- (b) any person to whom the authorized officer is about to give an order or a direction.
- (3) The licensing authority -
 - (a) may implement measures to check the production and transportation of minerals, including the installation of barriers and issue of rahdaries / dispatch slips duly countersigned / stamped / sealed by an officer authorized by the licensing authority.
 - (b) shall notify the holder of a mineral title or a mineral concession of such measures;
- (4) The holder of a mineral title or a mineral concession shall be responsible for any violation of measures referred to in sub-rule (3) by the carrier who transports minerals on behalf of that holder.
- (5) Any person who is aggrieved by an action of an authorized officer made under this Rule may appeal in writing to the licensing authority which shall, as soon as practicable, hear and dispose of the appeal, but the bringing of the appeal will not affect the operation of the action direction or order appealed from pending disposition of the appeal, in case the relevant record is not provided.
- (6) On an appeal under sub-rule (5), the licensing authority may rescind or affirm the action; direction or order appealed from or may make a new decision, direction or order in substitution there for.
- (7) A person aggrieved by a decision of the licensing authority may appeal against that decision to the Secretary and the provisions of Rule 70 shall apply in relation to that appeal.
- (8) In exercising powers under sub-rule (1), an authorized officer may be accompanied by any person whom the authorized officer believes has special or expert knowledge of any matter being inspected, tested or examined.
- (9) A person who is an occupier or person in charge of any building structure or place, or the person in charge of any vehicle, vessel, aircraft, machinery or equipment referred to in sub-rule (1), shall provide an authorized officer with all reasonable facilities and assistance for the effective exercise of the authorized officer's powers under this Rule.

120. Further powers of authorized officers.- (1) If a person who was the holder of a mineral title referred to in sub-rule (4) of Rules 22 or sub-rule (5) of Rules 33, 44 or 56, or a mineral concession referred in sub-rule 5 of Rule 81 and sub-rule 3 of Rule 89 fails to comply with the requirement of that sub-rule, an authorized officer may –

- (a) at all reasonable times, enter upon any premises whatsoever and search for the records, maps and plans, reports, photographs, tabulations, tapes, discs, books and documents referred to in the sub-rule; and
 - (b) seize any such records, maps and plans, reports, photographs, tabulations, tapes, discs, books and documents.
- (2) The provisions of Rule 119 (8), and (9) shall apply with necessary modifications in relation to an authorized officer and the carrying out of his functions under this Rule

121. Offences and penalties.- (1) Any person who carries on reconnaissance, exploration or mining operations in Balochistan except under and in accordance with a mineral title or a mineral concession.

- (2) Any person who -
 - (a) makes or causes to be made in connection with any application under these Rules, any statement knowing it to be false or misleading;
 - (b) submits or causes to be submitted in connection with -
 - (i) any such application; or
 - (ii) any notice, report, return or statement issued or given under any provision of these Rules; or
 - (iii) the conditions of any title or concession any document, information or particulars which is false or misleading knowing it to be false or misleading;
 - (c) fraudulently and with the intent to mislead any other person to believe that a mineral or group of minerals exists at any place, places or deposits or causes to be so placed or deposited any mineral or group of minerals in or at any such place; or
 - (d) fraudulently and with intent to deceive mingles or causes to be mingled with any sample of ore any substance which will increase the value or nature of the ore,
- (3) Any person who willfully -
 - (a) makes or causes to be made or concurs in making, a false entry in the Titles Register of the Concession Register;
 - (b) produces or tenders in evidence, a document falsely purporting to be a copy of an extract from an entry in the Titles Register or Concession register,

- (4) Any person who -
 - (a) in purported compliance with a notice under Rule 115(1) (a) to furnish information to the licensing authority, knowingly or recklessly furnishes information that is false or misleading in a material particular; or
 - (b) when attending before any person under a requirement referred to in sub-rule (1) (b) of Rule 115 or furnishing any data to any person under a requirement referred to in sub-rule (1) (c) of that Rule, knowingly or recklessly makes a statement that is, or furnishes any data that are, false or misleading in a material particular,
- (5) Any person who -
 - (a) without reasonable excuse obstructs, molests or hinders an authorized officer in the carrying out of that officer's functions under these Rules; or
 - (b) knowingly or recklessly makes a statement or produces a documents that is false or misleading in a material particular to an authorized officer carrying out functions under this Rule,
- (6) The provisions of the Fifth Schedule as amended by Notification in the Official Gazette from time to time, shall apply in respect of contravention of any of the sub-Rules of this Rule specified in that Schedule.
- (7) Penalties as per details given in paragraph 1 of the Fifth Schedule shall be imposed by the Licensing Authority or by an officer authorized by him and those in paragraph 2, through appropriate court.

122. Evidence.- (1) The production in any criminal or civil proceedings in any court of law of any certificate purporting to have been signed by an authorized officer certifying whether or not on a date specified in the certificate that-

- (a) a mineral concession or mineral title was issued, renewed or transferred to a person so specified;
- (b) any interest in such a concession or title has been granted, transferred or assigned to a person so specified;
- (c) any conditions so specified is or was a condition of a concession or title;
- (d) a person mentioned in the certificate is or was the holder of a concession or title;
- (e) a concession or title has been issued in respect of an area of land so specified, shall, unless the contrary is proved, be received in evidence as conclusive proof of the fact so certified.

(2) The production in any civil or criminal proceedings in any court of an extract of an entry in the Titles and Concession Register kept pursuant to Rule 60, certified by the licensing authority to be a true and correct extract of such an entry shall, unless the contrary is proved, be received in evidence as conclusive proof of the entry.

123. Forfeiture order.- (1) Where a person is convicted of an offence under these Rules, the court before which the person is convicted may, in addition to any penalty imposed or other forfeiture ordered, order that –

(a) any mineral or group of minerals won or mined in the course of the commission of the offence, be forfeited to the Government; or

(b) in the event of any such mineral or group of minerals having been sold or otherwise disposed of, that an amount equal to the proceeds of the sale or the market value of the mineral or group of minerals, whichever is the greater as determined by the court, be paid by such person for the benefit of the Government.

(2) The offence shall be cognizable under the Criminal Procedure Code.

PART VII – REPEALS AND SAVINGS

124. Repeals.- The Balochistan Mining Concession Rules, 1970 are hereby repealed

125. Savings.- Any licence or lease granted, renewed or saved under any law for the time being in force and existing immediately before the coming into force of these Rules, shall be deemed to have been granted, renewed or saved for the subsisting period in accordance with the provisions of these Rules as if these Rules were in force at the time such licence or lease was granted, renewed or saved and shall be treated accordingly.

BY ORDER OF GOVERNOR BALOCHISTAN

**(SECRETARY)
DEPARTMENT OF MINES AND MINERALS,
GOVERNMENT OF BALOCHISTAN.**

FIRST SCHEDULE**(Rule 10(1) (c))****APPLICATION FEES RELATING TO MINERAL TITLE
AND MINERAL CONCESSIONS**

Title / Concession		Rupees
<u>Titles</u>		
Reconnaissance Licence	.....	15,000
Exploration Licence	.....	25,000
-First Renewal	.....	50,000
-second renewal	.....	50,000
-Amendment	.....	10,000
Mineral Deposit retention Licence	.....	100,000
-Renewal	.....	100,000
Amendment	.....	20,000
Mining Lease	.....	100,000
-Renewal	.....	100,000
-Amendment	.....	20,000
<u>Concession</u>		
Prospecting Licence	.....	5,000
-Amendment	.....	5,000
Mining Lease (SSM)	.....	10,000
-Amendment	.....	10,000
<u>Other Fee</u>		
Appeal Fee (Rules 70,119(5)and119 (7) .....	.....	1,000
Application under Rule 64: .....	.....
-Transfer of mineral title(Rule 64 (4) (b) .....	.....	200,000
-Transfer of mining lease (Rule 64 (4) (b) .....	.....	20,000
Demarcation Fee (Rule 13 (8) .....	.....	10,000
Checking of boundary demarcation (Rule 13 (10) .....	.....	6,000
Inspection of Titles Register and Concession Register (Rule61)		100
Surveyor's registration Fee (Rule 63 (2) .....	.....	1,000
<u>Security Deposit</u> (Rule 68 (2)		
1. For mineral title other than Reconnaissance .....	.....	100,000
2. For prospecting Licence at Rs.2/- per acre subject to a minimum of .....	.....	5,000
3. For mining lease at Rs. 10/- per acre subject to a minimum of .....	.....	10,000

(Note:- please see pages no. 177-179 for revised rates of first Schedule (Rule 10(1)(C)) notified vide notification No.SOT.(MR)/1-10/2005/966-1140 dated 24th May 2006

SECOND SCHEDULE

(Rule 108)

ANNUAL RENTALS

<u>Category</u>	<u>Rentals</u> (Rupees per Square Kilometer)	<u>Period</u> (Years)
<u>Mineral Title</u>		<u>Term of Licence</u>
Reconnaissance Licence	0	Years 1 – 3
Exploration Licence	250	Years 1 – 3
First Renewal	750	Year 1
	1,000	Year 2
	1,250	Year 3
- Second Renewal	2,000	Year 1
	2,500	Year 2
	3,000	Year 3
Mineral Deposit Retention – Licence	3,000	Year 1 – 2
- Renewal	3,000	Year 1
Mining Lease	3,000	Term of lease
- Renewal	3,000	Renewal period

Small Scale Mining

Prospecting Licence	i)	Rs.5/- per acre per annum for First two years of P/L term.
	ii)	Rs.15/- per acre per annum Beyond the two years of term of P/L
Mining Lease.		Rs.5/- per acre per annum Subject to minimum of Rs.5,000/-

(Note:- please see pages no. 177-179 for revised rates of Second Schedule (Rule 108) i.e Annual Rentals notified vide notification No. SOT.(MR)/1-10/2005/966-1140 dated 24th May 2006)

THIRD SCHEDULE

(Rules 101 and 102)

GROUPS OF MINERALS AND ROYALTIES

PART – 1

GROUPS OF MINERALS

A. CONSTRUCTION AND INDUSTRIAL MINERALS GROUP

Alienate, and elusive-sillimanite-kyanite, anhydrite, aplite, asbestos, bajri/barite, ball clay, basalt, bauxite, beryl (excluding beryl as a source of beryllium metal or as a semi-precious stone), boron minerals, calcite, calcium carbonate, celestite, clay (including bentonite and fuller's earth palygorsite and attapulgitite), chromite, fire clay, halloysite, gabbro stone, hectorite, kaolin, refractory clay), corundum, diatomite, dolomite, epsomite, feldspar, fluorite, garnet (for industrial purposes), granite, graphite, gravel, gypsum, heavy mineral sands, iodine minerals, leucosene, lithium minerals, limestone, ordinary marble and onyx, magnesite, mica, nepheline syenite, nitrate, ochre, (including red ochre) olivine, perlite, phosphate, fossil guano, ordinary sand, ordinary stone, quartz (for industrial purposes), quartzite picture-stone, potash, pumice, pyrophyllite, salt, sepiolite, serpentine, silica sand, shale, soapstone, soda-ash and other sodium compounds, strotianite, sulphur and pyrite, talc, vermiculite, wollastonite.

B. PRECIOUS STONES GROUP

Diamonds, emeralds, rubies and sapphires.

C. PRECIOUS METALS GROUP

Gold, silver, platinum, palladium, osmium, rhodium, iridium and ruthenium.

D. SEMI-PRECIOUS STONES GROUP

Amazonite, aventurine, beryl (including aquamarine, heliodor and morganite, but excluding beryl as a source of beryllium metal or as an industrial mineral), chrysoberyl, chrysocolla, cordierite, diopside, dumortierite, garnet, milarite, quartz (including amethyst, citrine, rock crystal, rose and strawberry quartz, agate, carnelian, chalcedony, chrysoprase, jasper, moss agate, hyalite, opal, pietersite and tiger's eye), sodalite, topaz, tourmaline and turquoise.

E. BASE METALS GROUP

Aluminum, antimony, arsenic, beryllium, bismuth, cadmium, caesium, chromium, cobalt, copper, gallium, germanium, hafnium, indium, iron ore, lead, manganese, mercury, molybdenum, nickel, rhenium, radium, "Rare Earths" or lanthanides, including the actinides, scandium and yttrium, rhenium, rubidium, selenium, tantalum, tellurium, thallium, tin, tungsten, vanadium, zinc or zinc ore, but does not include any such minerals if such mineral is incidentally included in a mineral falling in any other group of minerals.

F. OTHER MINERALS

Any other minerals not specified in this Part and in Part III below.

PART – II

(Rules 101 and 102)

ROYALTIES

Groups of Minerals

	<u>Rate</u>
Precious Stones Group-----	10%
Precious Metals Group-----	2%
Semi-Precious Stones Group-----	2%
Base Metals Group-----	2%
Coal and Construction and Industrial Minerals Group-----	As specified in Part III below
Other Minerals not specified in this Part and in Part III-----	1%

(Note: - please see pages no. 177-179 for revised rates of part II of third Schedule (Rule 101-102) i.e Royalties notified vide notification No. SOT.(MR)/1-10/2005/966-1140 dated 24th May 2006)

FOURTH SCHEDULE**(Rule 76 (g) and 83 (d))****AREA OF LAND TO BE GRANTED IN RELATION TO
PROSPECTING LICENCE AND MINING LEASE**

Mineral	Type of Concession	Area of land	
		Minimum Acreage	Maximum Acreage
Barytes	Prospecting Licence	100	500
	Mining Lease	100	500
Bauxite	Prospecting Licence	100	500
	Mining Lease	100	500
Chromite	Prospecting Licence	50	1000
	Mining Lease	50	1000
Clay	Prospecting Licence	100	2000
	Mining Lease	100	2000
Coal	Prospecting Licence	100	2000
	Mining Lease	100	2000
Granite	Prospecting Licence	50	1000
	Mining Lease	50	1000
Fluorite, Magnesite and Celestite	Prospecting Licence	50	1000
	Mining Lease	50	1000
Gypsum	Prospecting Licence	20	100
	Mining Lease	20	100
Manganese, Copper	Prospecting Licence	100	2000
	Mining Lease	100	2000
Lead and Antimony	Prospecting Licence	100	2000
	Mining Lease	100	2000
Onyx	Prospecting Licence	50	1000
	Mining Lease	50	1000
Ordinary Marble	Prospecting Licence	50	1000
	Mining Lease	50	1000
Minor Minerals, e.g Sand Bajri and Gravel, Ordinary Stone, Aggregate etc	Prospecting Licence	100	100
	Mining Lease	100	100
Lime Stone (for Manufacture of cement	Prospecting Licence	100	2000
	Mining Lease	100	2000
Lime Stone (other than cement factory)	Prospecting Licence	100	100
	Mining Lease	100	100
Shale	Prospecting Licence	100	2000
	Mining Lease	100	2000
Other minerals not specified above	Prospecting Licence	50	100
	Mining Lease	50	100

FIFTH SCHEDULE

(Rule 121 (6))

PENALTIES FOR CONTRAVENTION OF RULES SPECIFIED IN THIS SCHEDULE

1. The holder of a mineral title or mineral concession, as the case may be, shall be liable to a penalty not exceeding 5000/- Rupees in respect of the contravention of any of the following Rules other than those specified in paragraph 2.

- (a) Rules 13 and 74 (conditions of a mineral title or mineral concession) other than those specified in paragraph 2.
- (b) Rule 14 (restrictions on exercise of rights by the holder of a mineral title or mineral concession;
- (c) Rules 15 (directions given by licensing authority other than those relating to safety, health and the environment);
- (d) *Rules 31, 42, 52, 75 and 82 relating to obligations the holder of a mineral title or mineral concession;*
- (e) Rules 22, 33, 44, 56, 81 and 89 (keeping of records and submission of reports);
- (f) Rule 109 (payment of water rates);
- (g) Rule 113(2) and 119(f) (failure to comply with direction);
- (h) Rule 114 (provision of weighing machine or other suitable apparatus);
- (i) Rule 115 (Installation of Rope Cutter at or near the leased /mining areas).
- (j) Rule 116 (1)(a) and (c) (notice to furnish information concerning mineral operations etc.);
- (k) Rule 119(4) (measures to check production and transportation of minerals);
- (l) Any other Rule not specified in sub paragraph (a) to (j) or in the paragraph below, penalty may extend to Rs.1000/-

(2) Any order imposing penalties in accordance with sub rule (1) above shall be issued under the signature of the licensing authority after the opportunity has been provided to the licensee or lessee concerned to explain his position.

(3) The holder of a mineral title or a mineral concession, as the case may be, shall be liable to a penalty not exceeding **10,000** Rupees in respect of the contravention of the provisions of Rules 13, 15, 117 and 121 and any other Rule relating to health, safety and the environment.

SIXTH SCHEDULE

(Rules 13(4), 22(2),
33(2), 44(2), 56(2) and 81 (2))

PLANS OF THE WORKINGS OF THE MINE

1. (I) All plans shall-
 - (a) bear the name of the mine, number of the mineral title **or mineral concession** and the name of the holder thereof;
 - (b) show the scale together with the magnetic meridian and the relevant data;
 - (c) be properly inked on durable paper or on tracing cloth;
 - (d) subject to sub-paragraph (II), be on a scale one inch to 100 feet; and
 - (e) bear the name, signature, address and registration number of the surveyor.
- (II) where, before the coming into force of these rules, plans have been prepared on any other scale, the licensing authority may, on application by the holder of the mineral title or mineral concession allow such plans to be maintained on that scale.
2. (I) There shall be shown on the plan of the workings-
 - (a) the position of the workings at the time of the last survey, indicated by a dotted line drawn through the workings and marked with the date of the last survey;
 - (b) all shafts and incline openings;
 - (c) all areas from where minerals have been excavated;
 - (d) where possible, the limit of the ore-body or mineral deposit;
 - (e) all important features within the boundaries, such as railways, roads, rivers, streams, tanks, buildings and reservoirs which overlie any part of the workings or any points within 600 feet of any part of the workings measured on a horizontal plane;
 - (f) the general direction and rate of dip of the strata and the depth of every shaft;
 - (g) a section of the seam or vein being worked and the position of all faults and dykes with the amount and direction of their throw;

- (II) A separate plan shall be prepared of the working of each seam or vein and each separate section or level of each seam or vein.
3. (1) The holder of a mineral title or mineral concession shall keep –
- (a) a separate tracing of a surface plan showing -
 - (i) all surface features referred to in paragraph 2; and
 - (ii) all buildings and structures on the surface and within the boundaries which overlie workings of the mine or at any point within 600 feet of the working measured on a horizontal plane;
 - (b) a separate plan showing the system of ventilation in the mine and in particular -
 - (i) the general direction of the air currents;
 - (ii) the points where the quantity of air is measured; and
 - (c) the principal devices for the regulation and distribution of the air, and, so far as practicable, the intake of airways shall be coloured blue and the return airway red.
 - (d) The positions of any underground stations and telephones shall be indicated on the plan.
 - (e) The code of signs set out below in this Schedule shall be utilized in the plan referred to in this paragraph.
 - (f) Nothing in this paragraph shall apply to any mine on which the workings do not extend under the superjacent ground.
4. (I) The plans referred to in this Schedule shall –
- (a) be kept in the office of the mine;
 - (b) subject to sub-paragraph (II), be accurate and shall be maintained up to date within 6 months.
- (II) where any mine or coal seam or vein is abandoned or the working thereon has been discontinued, the plan shall, before such abandonment or discontinuance, be made up to date unless such abandonment or discontinuance has been caused by circumstances beyond the control of the holder of the mineral title or mineral concession and in that case, the fact that the plan is not up to date shall be recorded on it.
5. The holder of a mineral title or mineral concession shall, at anytime on the request of the licensing authority –

- (a) produce to the licensing authority the plans and sections required under this Schedule; and
 - (b) mark on such plans and sections the then state of the workings of the mine.
- 6.
 - (I) Where any mine, seam or vein is abandoned, or the working thereof has been discontinued over a period exceeding one year, the person who was the owner of the mine at the time of such abandonment or discontinuance shall, subject to sub-paragraph (II), within three months after the abandonment or discontinuance, send to the licensing authority, accurate plans and sections of the working of the mine or vein up to the time of the abandonment or discontinuance, showing the pillars of minerals unworked and all other features required under this Schedule.
 - (II) If a change of ownership occurred after the abandonment or discontinuance and before the expiry of the three months referred to in sub-paragraph (I), as the case may be, the plans and sections shall be sent forthwith.
- 7. After the expiry of ten years from the date of abandonment or discontinuance of working in a mine or seam or vein or where the consent of the owner of the mine for the time being has been obtained prior to the expiry of that period, the licensing authority may, on such conditions as it thinks fit -
 - (a) permit any person having an interest in that mine or seam or vein to inspect the plans or section of such mine or seam or vein sent to it pursuant to paragraph 6;
 - (b) supply to any such person, copies of the like plan or section.

CODE OF SIGNS

Referred to in paragraph 3(e) of the Sixth schedule above

BRICKS, STONE OR CONCRETE VENTILATION

STOPPINGS

FIRE DAMS OR SEALS

WATER DAMS

DOORS

REGULATORS

AIR CROSSING

TELEPHONES

**UNDERGROUND AMBULANCE STATION
(IN RED)**

DIRECTION OF AIR CURRENT

SEVENTH SCHEDULE

APPLICATION FORMS

A - K

Form A

THE BALOCHISTAN MINERAL RULES, 2002

**Application for a Reconnaissance Licence by a Company
(Rules 10 and 18)**

To: The Licensing Authority

Date and Hour of receipt at Licensing Authority's office.

.....

.....
Signature of Receiving Officer

Information to be supplied by applicant. Where information cannot be fitted on form, to be included as attachment.

<u>PARTICULARS OF COMPANY</u>	
1. Name of applicant.	
2. Date and particulars of incorporation.	
3. Date and particulars of registration.	
4. Registered address.	
5. Principal place of business.	
6. Office or address in Balochistan at which notices etc. may be served and name/designation of representative or agent in Balochistan.	
7. Nature of business.	
8. Amount of authorised, subscribed, issued and paid up capital.	
9. If the company has a share capital, state the full name, address and nationality of any person who has the controlling interest in the affairs of the company and any person who is a beneficial owner of more than five percent of the issued share capital. <i>(Note: Attach full information)</i>	
10. Full names, nationalities and addresses of all Directors. <i>(Note: Attach full information)</i>	
11. Full names, nationalities and addresses of Officers of the company. <i>(Note: Attach full information)</i>	

12.	Give particulars of all mineral titles held or mines operated in Pakistan by the applicant whether alone, jointly (or through a subsidiary/affiliate) currently or during the ten years immediately preceding the date of application, or where no such titles or mines are or were held or operated, particulars of any current or previous involvement by the applicant or any affiliate/subsidiary of the applicant, in reconnaissance, exploration, or mining operations outside Pakistan. (Note: Attach full information)	
13.	State approximate size of the area for which application is made. (Note:- size of area shall not exceed 10,000 square kilometers or be less than 100 square kilometers)	
14.	State location and description of the area in terms required under Enclosure (i) below.	
15.	State mineral or group of minerals in respect of which a reconnaissance licence is sought.	
16.	State the period, not exceeding twelve (12) months, for which the reconnaissance licence is sought.	
17. (a)	State whether the applicant has previously made an application for a licence, lease or permit under the Rules. (b) If yes, state whether any such application was granted or refused or lapsed.	
18.	State whether the applicant has previously held any licence, permit or lease authorizing reconnaissance or exploration or mining operations in Balochistan (or elsewhere) which has been surrendered, revoked or cancelled.	
19.	State whether the applicant has been convicted of any offences. If yes, give particulars.	
20.	State any other information (if any) or any special remarks.	

Enclosures to be attached with Application:

- (i) Five copies of a detailed topographical and geological description of the area of land to which the application relates, and five copies of a plan or map of such area drawn to a scale as required by the licensing authority showing:
 - (a) its location with reference to magisterial districts; and
 - (b) the extent of the area and the boundaries by reference to identifiable physical features and co-ordinate reference points; (Rule 18 (I) (c) (ii).

(ii) The programme of reconnaissance operations proposed to be carried on, the estimated expenditure in respect thereof and the period within which the operation will be carried on (Rule 18(1)(d)(i)); and in case of an application for an exclusive right referred to in Rule 16 (3), the reason for the application (Rule 18(d) (ii)).

(iii) A report containing particulars of the state of the environment in the area to which the application relates, including any existing damage to the environment, the anticipated effect and the likely adverse impact which the proposed reconnaissance operations may have on the environment, and measures to be taken to minimize, prevent or remedy any adverse effect to the environment including measure for the prevention of pollution, disposal of waste and the rehabilitation of land.

a. Proposals for the control or elimination of any particular risks (whether to health, safety or otherwise) involved in the operations proposed to be undertaken.

b. Proposals in respect of the matters specified in Rule 13(1)(b) to (h).

c. Particulars of the applicant's technical and financial resources and those of any person to be engaged to provide such resources, together with supporting documentary evidence and copies of relevant contractual agreements; (Rule 18(1) (e)).

(iv) A copy of the memorandum and Articles of Association of the company and an attested copy of the certificate of incorporation/registration of the company in Pakistan.

(v) Annual reports and audited financial statements of the company for the last three (3) Years.

(vi) The application fee specified in the First Schedule to the Rules. (Rule 10(1)(c)).

I/We solemnly and sincerely declare that all the foregoing particulars are correct and that no Government taxes or dues are outstanding against me/us in respect of any mineral title(s) and held by me / us or by any company which is involved in a joint venture with me/ us.

Signed for and on behalf of.....(Company's name)by its duly authorized representative.

Name.....

Designation.....

Date.....

Form B

THE BALOCHISTAN MINERAL RULES, 2002
Application for an Exploration Licence by an Individual
(Rules 10 and 26)

To: The Licensing Authority

Date and Hour of receipt at Licensing Authority's office.....

.....
Signature of Receiving Officer

Information to be supplied by applicant. Where information cannot be fitted on form, to be included as attachment.

PARTICULARS OF INDIVIDUAL(S)	
1. Full Name of applicant.	
2. Nationality of applicant.	
3. Date of birth.	
4. Occupation of applicant.	
5. Office or postal address in Balochistan at which notices etc. may be served.	
6. Residential address. (State town, district and province)	
7. give particulars of all other mineral titles held or mines operated in Pakistan by the applicant whether Jointly, currently or during the ten years immediately preceding the date of application, or where no such titles or mines are or were held or operated, particulars of any current or previous involvement by the applicant in reconnaissance, exploration, or mining operations outside Pakistan.	
8. State approximate size of the area for which application is made. (Note:- size of area shall not exceed 1,000 square kilometers)	
9. State location and description of the area in terms required under Enclosure (i) below .	
10. State mineral or group of minerals for which an exploration licence is sought.	
11. state the period, not exceeding three years, for which the exploration licence is sought.	
12. (a) State whether the applicant has previously made an application for a licence, lease or permit under the Rules. (b) if yes, state whether any such application was granted or refused, or lapsed.	
13. State whether the applicant has previously held any licence, permit or lease authorizing exploration or mining operations in Balochistan (or elsewhere) which has been surrendered, revoked or cancelled.	

14. State whether the applicant has been convicted of any offences. if yes, give particulars.	
15. State any other information (if any) or any special remarks.	

Enclosure to be attached with Application:

(i) Five copies of a comprehensive geological description of the area of land over which the licence is sought and five copies of a plan or map of such area drawn to a scale required by the licensing authority showing:

- (a) its location with reference to magisterial districts;
- (b) the extent of the area and the boundaries by reference to identifiable physical features and co-ordinate reference points; (Rule 26(1)(b) and (c)).
- (c) the potential for or nature of mineralization (Rule 26(1) (c)).

(ii) The programme of exploration operations proposed to be carried on, the estimated expenditure in respect thereof and the period within which the operations will be carried on; (*Rule 26(d)(i)*).

(iii) A report containing particulars of the state of the environment in the area to which the application relates, including any existing damage to the environment, the anticipated effect which the proposed exploration operations may have on the environment; and measures to be taken to minimize, prevent or remedy any adverse effect to the environment, including measures for the prevention of pollution, disposal of waste and the rehabilitation of land; *Rule 26 (d)(ii)*.

(iv) Proposals for the control or elimination of any particular risks (whether health, safety or otherwise) involved in exploration operations proposed to be under taken. Particulars of the applicant's technical and financial resources to carry out the exploration operations and those of any person to be engaged to provide such resources, together with supporting documentary evidence and copies of relevant contractual agreements; (*Rule 18(I)(e)*).

(v) Proposals in respect of the matters specified in Rule 13(i)(b) to (h). The application fee specified in the First Schedule to the Rules. (*Rule 10(1)(c)*).

I/We solemnly and sincerely declare that all the foregoing particulars are correct and that no Government taxes or dues are outstanding against me/us in respect of any concession(s), titles or permits held by me/us or by any firm of which I/We have been partners.

Dated this.....day of20

.....
Signature of Applicant

.....
Designation

Form C

THE BALOCHISTAN MINERAL RULES, 2002

**Application for an Exploration Licence by a Company
(Rules 10 and 26)**

To: The Licensing Authority

Date and Hour of receipt at Licensing Authority's office.

.....

.....
Signature of Receiving Officer

Information to be supplied by applicant. Where information cannot be fitted on from, to be included as attachment.

PARTICULARS OF COMPANY	
1. Name of applicant.	
2. Date and particulars of incorporation.	
3. Date and particulars of registration.	
4. Registered address.	
5. Principal place of business.	
6. Office or address in Balochistan at which notices etc. may be served and name/designation of representative or agent in Balochistan.	
7. Nature of business.	
8. Amount of authorized, subscribed, issued and paid up capital.	
9. If the company has a share capital, state the full name, address and nationality of any person who has the controlling interest in the affairs of the company and any person who is a beneficial owner of more than five per cent of the issued share capital. (Note:- Attach full information)	
10. Full names, nationalities and addresses of all Directors. (Note:- Attach full information)	

11. Full names, nationalities and addresses of Officers of the company. (Note:- Attach full information)	
12. Give particulars of all other mineral titles held or mines operated in Pakistan by the applicant whether jointly (or through a subsidiary / affiliate) currently or during the ten years immediately preceding the date of application, or where no such titles or mines are or were held or operated, particulars of any current or previous involvement by the applicant, or any affiliate/subsidiary of the applicant, in reconnaissance, exploration, or mining operations outside Pakistan. (Note:- Attach full information)	
13. State approximate size of the area for which application is made. (Note:- size of area shall not exceed 1,000 square kilometers)	
14. State location and description of the area in terms required under Enclosure (i) below.	
15. State mineral or group of minerals for which an exploration licence is sought.	
16. State the period, not exceeding three years, for which an exploration licence is sought.	
17. (a) State whether the applicant has previously made an application for a licence, lease or permit, under the Rules. (b) If yes, state whether any such application was granted or refused, or lapsed.	
18. State whether the applicant has previously held any licence, permit or lease authorising exploration or mining operations in Balochistan(or elsewhere)which has been surrendered, revoked or cancelled.	
19. State whether the applicant has been convicted of any offences. If yes, give particulars.	
20. State any other information (if any) or any special remarks.	

Enclosure to be attached with Application:

- (i) Five copies of a comprehensive geological description of the area of land over which the licence is sought and five copies of a plan or map of such area drawn to a scale required by the licensing authority showing:
 - (a) its location with reference to magisterial district; (*Refer Rule 18(1)(c)(i)*).
 - (b) the extent of the area and the boundaries by reference to identifiable physical features and co-ordinate reference points; (*Rule 26(1)(b) and (c)*).
 - (c) the potential for a nature of mineralization (*Rule 26 (1)(c)(i)*).
- (ii) The programme of exploration operations proposed to be carried on, the estimated expenditure in respect thereof and the period within which the operation will be carried on; (*Rule 26 (1)(d)(i)*).
- (iii) A report containing particulars of the state of the environment in the area to which the application relates, including any existing damage to the environment, the anticipated effect and likely adverse impact which the proposed exploration operations may have on the environment; and measures to be taken to minimize. Prevent or remedy any adverse effect to the environment, including measures for the prevention of pollution, disposal of waste and the rehabilitation of land; (*Rule 26(d)(ii)*).
- (iv) Proposals for the control or elimination of any particular risks (whether health, safety or otherwise) involved in exploration operations proposed to be undertaken.
- (v) Particulars of the applicant's technical and financial resources to carry out the exploration operations and those of any person to be engaged to provide such resources, together with supporting documentary evidence and copies of relevant contractual agreements; (*Rules 18(1)(f) and 26(1)(e)*).
- (vi) A copy of the Memorandum and Articles of Association of the company and an attested copy of the certificate of incorporation/registration of the company in Pakistan.
- (vii) Proposals in respect of the matters specified in Rule 13(1)(b) to (h).
- (viii) Annual reports and audited financial statements of the company for the last three (3) years.
- (ix) The application fee as specified in the First Schedule to the Rules (*Rule 10(1)(c)*).

I/We solemnly and sincerely declare that all the foregoing particulars are correct and that no Government taxes or dues are outstanding against me/us in respect of any mineral title(s) held by me/us or by any company involved in a joint venture with me/us.

Signed for and on behalf of(Company's name) by its
duly authorized representative.

Name.....

Designation.....

Date.....

THE BALOCHISTAN MINERAL RULES, 2002**Application for a Mineral Deposit Retention Licence
By an Individual.
(Rules 10 and 37)****To: The Licensing Authority.**

Date and Hour of receipt at Licensing Authority's office.

.....

.....
Signature of Receiving Officer.

Information to be supplied by applicant. Where information cannot be fitted on form, to be included as attachment.

PARTICULARS OF AN INDIVIDUAL	
1. Full Name of applicant.	
2. Nationality of applicant.	
3. Date of birth.	
4. Occupation of applicant.	
5. Office or postal address in Balochistan at which notices etc. may be served.	
6. Residential Address. (State town, district and province)	
7. Give particulars of all other mineral titles held or mines operated in Pakistan by the applicant whether jointly, currently or during the ten years immediately preceding the date of application, or where no such titles or mines are or were held or operated, particulars of any current or previous involvement by the applicant in exploration, or mining operations outside Pakistan.	
8. State approximate size of the area for which application is made. (Note:- size of area shall not be greater than the exploration area concerned)	
9. State location and description of the area in terms required under Enclosure (i) below.	
10. State mineral or group of minerals to which the application relates.	

11.	State the period, not exceeding two (2) years, for which the retention licence is sought.	
12.	(a) State whether the applicant has previously made an application for a licence, lease or permit under the Rules. (b) If yes, state whether any such application has been granted or refused, or lapsed.	
13.	State whether the applicant has previously held any licence, lease or permit, authorizing prospecting exploration or mining operations in Balochistan (or elsewhere) which has been surrendered, revoked or cancelled.	
14.	Give reasons and documents in support of the claim that the mineral deposit discovered in the area of land to which the application relates could not then be mined on a profitable basis.	
15.	State whether the applicant has been convicted of any offences. If yes, give particulars.	
16.	Give a forecast of the circumstances in which and the earliest date on which the mineral or group of minerals discovered might be mined.	
17.	State the name of the person to whom the exploration licence relating to the area (in respect of which application is made for a retention licence) was granted.	
18.	If the applicant for a retention licence is the same person to whom the exploration licence was issued, state any change in circumstances of the person since the grant of the exploration licence.	
19.	Give details of any assignment/transfer relating to the exploration licence in respect of the area subject to the application for a retention licence.	
20.	State any other information or any special remarks relevant to the application.	

Enclosures to be attached with Application;

- (i) Five copies of detailed topographical and geological description of the area of land to which the application relates and five plans or maps of such area drawn to a scale required by the licensing authority showing: (a) its location with reference to magisterial districts; and (b) the extent of the area and boundaries by reference to identifiable physical features and co-ordinate reference points; (Refer Rule 18(1) (c) (i)&(ii) and Rule 37(1)(c).

- (ii) Details of the proven, estimated or inferred mineral reserves contained therein, and of the mining conditions pertaining thereto, (Refer Rule 37 (1) (d)).
- (iii) The proposals for the carrying out of work in the exploration area and expenditure during the period of the retention licence in respect of which application is made. If no further work in or in relation to the exploration area could be usefully carried out the reasons therefore;)Refer Rule 37 (1) (e)(i).
- (iv) A Report containing particulars of the state of the environment in the area to which the application relates, including any existing damage to the environment, the adverse impact which operations carried on or to be carried on have had or may have on the environment and the measures taken or to be taken to prevent, mitigate or remedy such impact; (Refer Rule 37 (1) (e)(ii).
- (v) Proposals for the control or elimination of any particular risks (whether health, safety or otherwise) involved in exploration operations carried out or proposed to be undertaken.
- (vi) Particulars of the applicant's technical and financial resources and those of any person to be engaged to provide such resources, together with supporting documentary evidence and copies of relevant contractual agreements; (Refer Rule 18 (1) (f)) and Rule 37 (1) (f) (i).
- (vii) Particulars of the exploration licence held by the applicant;(Refer Rule 37 (1) (f) (ii).
- (viii) Proposals in respect of the matters specified in Rule 13 (1)(b) to (h).
- (ix) The application fee specified in the First Schedule to the Rules.(Rule 10(1)(c)).

I/We solemnly and sincerely declare that all the foregoing particulars are correct and that no Government taxes or dues are outstanding against me/us in respect of any concession(s), titles permits held by me/us or by any firm of which I/we have been partners.

Dated this.....day of20.....

Signed by:

Name.....

Designation.....

THE BALOCHISTAN MINERAL RULES, 2002**Application for a Mineral Deposit Retention Licence by a Company
(Rules 10 and 37)****To: the Licensing Authority**

Date and hour of receipt at Licensing Authority's office.

.....

.....

Signature of Receiving Officer

Information to be supplied by applicant. Where information cannot be fitted on form, to be included as attachment.

PARTICULARS OF COMPANY	
1. Name of applicant.	
2. Date and particulars of incorporation.	
3. Date and particulars of registration.	
4. Registered address.	
5. Principal Place of business.	
6. Office and address in Balochistan at which notices etc. may be served and name/designation of representative or agent in Balochistan.	
7. Nature of business.	
8. Amount of authorized, subscribed, issued and paid up capital.	
9. If the company has a share capital, state the full name, address and nationality of any person who has the controlling interest in the affairs of the company and any person who is a beneficial owner of more than five per cent of the issued share capital. (Note: Attach full information)	

<p>10. Full names/nationalities and addresses of all the Directors of the company. (Note: Attach full information)</p>	
<p>11. Full names, nationalities and addresses of Officers of the company. (Note: Attach full information)</p> <p>12. Give particulars of all mineral titles held or mines operated in Pakistan by the applicant whether alone, jointly, (or through a subsidiary/affiliate) currently or during the ten years immediately preceding the date of application, or where no such titles or mines are or were held or operated, particulars of any current or previous involvement by the applicant, or any affiliate or subsidiary of the applicant, in reconnaissance, exploration or mining operations outside Pakistan.</p>	
<p>13. State approximate size of the area for which application is made. (Note:- size of area shall not be greater than the exploration area concerned).</p>	
<p>14. State location and description of the area in terms required under Enclosure (i) below.</p>	
<p>15. State the mineral or group of minerals to which the application relates.</p>	
<p>16. State the period not exceeding two years for which the licence is sought.</p>	
<p>17. (a) State whether the applicant has previously made an application for a licence, lease or permit. (b) If yes, state whether any such application was granted or refused or lapsed.</p>	
<p>18. State whether the applicant previously held any licence, permit or lease authorizing reconnaissance, exploration or mining operations in Balochistan (or elsewhere) which has been surrendered, revoked or cancelled.</p>	

19. Give reasons and documents in support of the claim that the mineral deposit discovered in the area of land to which the application relates could not then be mined on a profitable basis.	
20. Give a forecast of the circumstances in which and the earliest date on which the mineral or group of minerals discovered might be mined.	
21. State the name of the company to whom the expiration licence relating to the area (in respect of which application is made for a retention licence) was granted.	
22. If the applicant for a retention licence is the same company to whom the exploration licence was issued, state any change in ownership or organization or circumstances of the company since the grant of the exploration licence.	
23. Give details of any assignment/transfer relating to the exploration licence in respect of the area subject to the application for a retention licence.	
24. State whether the applicant has been convicted of any offences. If yes, give particulars.	
25. State any other information or any special remark relevant to the application.	

Enclosures to be attached with application:

- (i) Five copies of a detailed topographical and geological description of the boundaries of the area of land to which the application relates, and five copies of a plan or map of such area drawn to a scale required by the licensing authority showing: (a) its location with reference to magisterial districts; and (b) the extent of area and the boundaries by reference to identifiable physical features and co-ordinate reference points; (Refer Rule 18 (1) (c)(i)&(ii), and 37(1)(c), and (c) the nature of the mineralization contained therein.
- (ii) Details of the proven, estimated or inferred mineral reserves contained therein, and of the mining conditions pertaining thereto; (Refer Rule 37 (1) (d)).
- (iii) The proposals for the carrying out of work in the exploration area and expenditures during the period of the retention licence in respect of which application is made and if no further work in or in relation to the exploration area could be usefully carried out the reasons there for ; (Refer Rule 37 (1)(e) (i).

- (iv) A report containing particulars of the state of the environment in the area to which the application relates, including any existing damage to the environment, the effect and the adverse impact which the operations carried on or to be carried on have had or may have on the environment and the measures taken or to be taken to prevent, mitigate or remedy such impact; (Refer Rule 37 (1)(e) (ii)).
- (v) Proposals for the control or elimination or any particular risks (whether health, safety or otherwise) involved in exploration operations carried out or to be undertaken.
- (vi) Particulars of the applicant's technical and financial resources to carry out the operations proposed and those of any person to be engaged to provide such resources, together with supporting documentary evidence and copies of relevant contractual agreements; (Refer Rule 18 (1) (f) and 37(1)(f)(i)).
- (vii) Particulars of the exploration license held by the applicant; (refer Rule 37(1) (f)(ii)).
- (viii) Relevant data, studies, analysis and documents in relation to the application.
- (ix) Proposals in respect of the matters specified in Rule 13(1)(b) to (h).
- (x) Annual report and audited financial statements of the company for the last three (3) years.
- (xi) The application fee specified in the First Schedule, (Refer Rules 10(1)(c)).

I/We solemnly and sincerely declare that all the foregoing particulars are correct and that no Government taxes or dues are outstanding against me/us in respect of any concession(s) held by me/us or by any firm of which I/we have been partners (s).

Signed for and on behalf of----- (Company's name) by its duly authorized representative.

Name: -----

Designation: -----

Dated: -----

THE BALOCHISTAN MINERAL RULES, 2002**Application for a Mining Lease by a Company
(Rules 10 and 47)****To: The Licensing Authority**

Date and Hour of receipt at Licensing Authority's office.

.....

.....

Signature of Receiving Officer

Information to be supplied by applicant. Where information cannot be fitted on form, to be included as attachment.

PARTICULARS OF COMPANY	
1. Name of applicant.	
2. Date and particulars of incorporation.	
3. Date and particulars of registration.	
4. Registered address.	
5. Principal Place of business.	
6. Office and address in Balochistan at which notices etc. may be served and name/designation of representative or agent in Balochistan.	
7. Nature of business.	
8. Amount of authorized, subscribed, issued and paid up capital.	
9. If the company has a share capital, state the full name, address and nationality of any person who has the controlling interest in the affairs of the company and any person who is a beneficial owner of more than five per cent of the issued share capital. (Note: Attach full information)	

10. Full names/nationalities and addresses of all the Directors of the company. (Note: Attach full information)	
11. Full names, nationalities and addresses of Officers of the Company. (Note: Attach full information)	
12. Give particulars of all other mineral titles held or mines operated in Pakistan by the applicant whether jointly (or through a subsidiary/affiliate), currently or during the ten years immediately preceding the date of application, or where no such titles or mines are or were held or operated, particulars of any current or previous involvement by the applicant (or any subsidiary or affiliate of the applicant) in reconnaissance, exploration, or mining operations outside Pakistan. (Note:- Attach full information)	
13. State approximate size of the area for which application is made. (Note:- size of area shall not exceed 250 square kilometers)	
14. State location and description of the area in terms required under Enclosure (i) below.	
15. State mineral or group of minerals for which a mining lease is sought.	
16. State the period, not exceeding thirty years, for which a mining lease is sought.	
17. (a) State whether the applicant has previously made an application for a licence, lease or permit etc. (b) If yes, state whether any such application was granted or refused or lapsed.	
18. State whether the applicant previously held any licence, permit or lease authorizing exploration or mining operations in Balochistan (or elsewhere) which has been surrendered, revoked or cancelled.	
19. State whether the applicant has been convicted of any offence. If yes, state particulars.	
20. State any other information (if any) or any special remarks.	

Enclosures to be attached with application:

- (i) Five copies of a detailed topographical and geographical description of the area of land to which the application relates, and five copies of plans or maps of such area drawn to a scale required by the licensing authority showing:
 - (a) its location with reference to magisterial districts (*Refer Rule 18(1)(c)(i)*); and
 - (b) the extent of area and boundaries by reference to identifiable physical features and co-ordinate reference points; (*Refer Rule 18 (1) (c)(ii)*).
- (ii) A technological report on mining and treatment possibilities and the intention of the applicant in relation thereto; (*Refer Rule 47 (2) (e) (i)*).
- (iii) Relevant feasibility studies, detailed plans for development and operation of the mine and the programme of proposed mining operations, including forecast of:
 - (a) the date by which the applicant intends to work for profit;
 - (b) the capacity and expected rate of production and scale of operations;
 - (c) the anticipated overall recovery of ore and mineral products; and
 - (d) the nature of products; (*Refer Rule 47(2)(f)(i),(ii),(iii) and (iv)*).
- (iv) An environmental impact assessment in terms of the Environmental Protection Act stating: any existing damage to the environment caused by exploration operations and the steps taken or to be taken to prevent, control or remedy such damage; the extent of any adverse effect which the proposed plan for development and operation of the mine and the carrying out of the programme of proposed mining operations would be likely to have on the environment and on any monument or relic in the area over which the lease is required; and proposals for eliminating or controlling that effect; (*Refer Rule 47(2)(g)*).
- (v) Proposal for the prevention of pollution, the treatment and disposal of wastes, the safeguarding, reclamation and rehabilitation of land disturbed by mining operations, the protection of rivers and other sources of water and for monitoring and managing any adverse effect of mining operations on the environment; (*Refer Rule 47(2) (h)*).
- (vi) Proposals for the control or elimination of any particular risks (whether to health or otherwise) involved in mining operations proposed to be undertaken (*Refer 47 (2)(i)*).
- (vii) Detailed forecast of capital investment, operating costs and revenues and the anticipated type and source and extent of financing: (*Refer Rule 47 (2) (j)(i)*).
- (viii) Particulars of the applicant's technical and financial resources and those of any person to be engaged to provide such resources, together with supporting documentary evidence and copies of relevant contractual agreements; (*Refer Rules 18 (1) (e) and (i)*).
- (ix) Statement giving particulars of expected infrastructure requirements; (*Refer Rule 47(2) (j)(ii)*).
- (x) A copy of the Memorandum and Articles of association of the company and with an attested copy of the certificate of incorporation/registration of the company in Pakistan.

- (xi) Proposals in respect of the matters specified in Rule 13(1)(b) to (h).
- (xii) Annual reports and audited financial statements of the company for the last three (3) years.
- (xiii) In the case of a person referred to in Rule 47, the expenditure referred to in Rule 33(1)(g) (Refer Rule 47(2)(e)(ii)).
- (xiv) The application fee specified in the First Schedule to the Rules (Rule 10(1)(c)).

I/We solemnly and sincerely declare that all the foregoing particulars are correct and that no Government taxes or dues are outstanding against me/us in respect of any mineral title or permit held by me/us or by any company which is involved in a joint venture with me/us.

Dated this.....day of20.....

Signed for and on behalf of----- (Company's name) by its duly authorized representative.

Name:-----

Designation:-----

Dated:-----

FORM – G**BALUCHISTAN MINERAL RULES, 2002
Application Form For Prospecting Licence
(Rules 10 and 76)**

1. Name of the applicant, Firm _____
Co., etc; (in Block Letters).

2. (i) Name of Mineral. _____

(ii) Size & Location of
The area (Name Halqa
Tehsil & District). _____

(iii) Data of the Area _____ Sheet-No. _____

POINTS.	Co-ordinate Easting.	Co-ordinate Northing.
TOTAL AREA HECTARES/ACRES		(IN WORDS)

3. (A) IN CASE OF INDIVIDUAL (Check if not
Applicable). _____

(i) Name of individual with
Father's Name _____

(ii) National Identity Card No. _____

(iii) Date & Place of Issue
(Enclose Photo copy
of NIC). _____

(iv) Permanent Address _____

(v) State whether Local,
Domicile or Non Local,
(Mention District)
The Name of Tribe (if Local) _____

(vi) Occupation _____

- (vii) Principal Place of Business,
If outside Balochistan
Name of duly authorized
Agent in Balochistan with
Address _____

(B) IN CASE OF INDIVIDUAL (CHECK IF NO APPLICABLE)

	S.No.	Name with Father's Name & permanent address.	National Identity Card No. of the Managing Partners/Directors (Enclose Photostat Copy.)	Occupation	State whether Local/ Domicile or Non- Local (Mention Name of Distt) if Local the Name of tribe.	Percentage of shares held.
	1					
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	-					
	-					

(C) IF THE APPLICATION IS BY A COMPANY

- (i) Details of Capital:-

(a) Authorized _____

(b) Issued & Subscribed _____

- (ii) Name of Business _____

			Name with Father's Name and Permanent Address.	Occupation.	State whether Local/Domicile or Non-Local (Mention Name of Distt) If Local the name of tribe.	Percentage of Shares.
	(a)	Managing Director.				
	(b)	Director/ Principal Share holders.				

(D) If the applicant is an alien, or a Company incorporated out side Pakistan state full particulars of the Company to be incorporated by the applicant in Pakistan for the purpose of receiving the grant of any licence or lease which may be granted including the following particulars;

(i) Details of Capital.

(a) Authorized.

(b) Issued & subscribed.

(ii) Amount of capital proposed for this particular project.

(iii) Name of Business.

		Name with Permanent, address of:-	Nationality.	Percentage of Shares held.
	Managing Director.			
	Directors / Share-holders.			

(NOTE):- Documentary evidence of incorporation of the Company in Pakistan should be furnished along with a copy of the Memorandum and Articles of Association and prospectus of the Company as soon as the Company has been incorporated in Pakistan.

4. Brief Particular of previous experience, in Mining giving details of any Prospecting Licence or Mining Lease

5. Brief Particulars of any application for Licence or lease which has been submitted in the past in any country and its disposal

6. Name and qualification of Technical Experts or Advisors.

7. Brief particulars of the Mining Concessions held by you or your sister concern in Balochistan.

8. Brief particulars of Government dues on account of Annual Fee/Dead Rent and Royalty etc; which are outstanding against you or your sister concern in which you are a partner.

9. Any Special Remarks.
10. Documents attached.
 - (i) Treasury Challan No.....dated.....for Rs.....(Rupees. in words.....) as application fee under the head of account "1300000-Misc. Receipt, 1390000. Others, 1391008-Other Receipts, under the Mines, and Oil Field and Mineral Development, (Govt. Control) Act, 1948 (134).
 - (ii) 15 copies of the plans of the applied for area prepared and signed by a Registered Mining Surveyor from Survey of Pakistan sheet No.....
 - (iii) Authenticated copy of Partnership deed duly registered with the Register of Firms/Companies (in case of Partnership firm only).
 - (iv) A copy of the Memorandum and Articles of Association along with an attested copy of the Certificate of incorporation/registration of the Company (in case of Limited Companies only).
 - (v) Proof of Local participation if arranged along with the Certificate in respect of share holders showing them as Local Domicile non-Local or outsiders (Under Rules 95(a) of Balochistan Mineral Rules 2002).

DECLARATION

I/We declare that all the entries in this form are correct to the best of my/our knowledge and belief.

SIGNATURE(S) OR APPLICANT(S)
MANAGING DIRECTOR.

Dated.....

(If the applicant is a company state authority on which form is signed).

Signature of the Incharge
Of the Branch concerned.

INSTRUCTIONS

- (N.B.)** (i) All the entries should be typed or clearly handwritten in Capital Words.
- (ii) There should be no over writing, particularly in Survey Data at para 2 (iii)
- (iii) No column should be left blank. In case the reply against any columns is Nil, the word NIL or NOT applicable should be written.
- (iv) No Sketches will be entertained.
- (v) All the copies of the map should be signed by Registered Mining Surveyor as well as the applicant.
- (vi) Incomplete application and applications by post shall not be entertained.
- (vii) A receipt against the application may be obtained from authorized Officer of the Department.

BALUCHISTAN MINERAL RULES, 2002
Application Form For Prospecting Licence
(Rules 10 and 76)

(FOR OFFICIAL USE ONLY)

Received an application form M/s. _____
_____ For (Name of mineral) _____ under (Rules 10 and 76) of
Baluchistan Mineral Rules, 2002, for an area of _____ Hectare/Acres in Distt _____
_____ on (date) _____ at (time) _____ Along with the following documents:-

- (i) Treasury Challan No..... Date for Rs. as application fee.
- (ii) 15 copies of the plan duly signed by the registered Surveyor and the Applicant (S.O.P Sheet No.....).
- (iii) Authenticated copy of partnership deed/Memorandum and Articles of association (if applicable).
- (iv) Proof of Local Participation, (if already arranged).
- (v) N.O.C. Issued by the (if already arranged).....
- (vi) Any other documents.....
- (vii) Photo copy / copies of Identity Card No.....

Dated the.....

Authorized Officer,
For Director General
Mines & Minerals
Quetta Baluchistan.

BALUCHISTAN MINERAL RULES, 2002
Application Form For Prospecting Licence
(Rules 10 and 76)

(FOR OFFICIAL USE ONLY)

Received an application form M/s. _____
_____ For (Name of mineral) _____ under (Rules 10 and 76) of
Baluchistan Mineral Rules, 2002, for an area of _____ Hectare/Acres in Distt _____
_____ on (date) _____ at (time) _____ Along with the following documents:-

- (i) Treasury Challan No..... Date for Rs. as application fee.
- (ii) 15 copies of the plan duly signed by the registered Surveyor and the Applicant (S.O.P Sheet No.....).
- (iii) Authenticated copy of partnership deed/Memorandum and Articles of association (if applicable).
- (iv) Proof of Local Participation, (if already arranged).....
- (v) N.O.C. Issued by the (if already arranged).....

- (vi) Any other documents.....
- (vii) Photo copy / copies of Identity Card No.....

Dated the.....

Authorized Officer,
For Director General
Mines & Minerals
Quetta Balochistan.

Form H

BALUCHISTAN MINERAL RULES, 2002
Application Form For Mining Lease
(Rules 10 and 83)

1. Name of the applicant, Firm _____
Co., etc; (in Block Letters).
2. (i) Name of Mineral. _____
- (ii) Size & Location of
the area (Name Halqa
Tehsil & District). _____
- (iii) Data of the area _____ Sheet-No. _____

POINTS.	Co-ordinate Easting.	Co-ordinate Northing.
TOTAL AREA HECTARES/ACRES		(IN WORDS)

3. (A) IN CASE OF INDIVIDUAL (Check if not Applicable). _____
- (i) Name of individual with
Father's Name _____
- (ii) National Identity Card No. _____
- (iii) Date & Place of Issue
(Enclose Photo copy
of NIC). _____
- (iv) Permanent Address _____
- (v) State whether Local,
Domicile or Non Local,
(Mention District)
The Name of Tribe (if Local) _____
- (vi) Occupation _____

(vii) Principal Place of Business, _____
 If outside Balochistan
 Name of duly authorized
 Agent in Balochistan with
 Address _____

(B) IN CASE OF INDIVIDUAL (CHECK IF NOT APPLICABLE)

	S.No.	Name with Father's Name & permanent address.	National Identity Card No. of the Managing Partners/Directors (Enclose Photostat Copy).	Occupation	State whether Local / Domicile or Non-Local Mention Name of Distt) if Local the name of tribe.	Percentage Of shares held.
	1	2	3	4	5	6
	1					
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	-					
	-					

(C) IF THE APPLICATION IS BY A COMPANY

(i) Details of Capital:-

(a) Authorized _____

(b) Issued & Subscribed _____

(ii) Name of Business _____

		Name with Father's Name and Permanent Address.	Occupation	State whether Local/Domicile or Non-Local (Mention Name of Distt) If Local the name of tribe.	Percentage of Shares.
	(a) Managing Director.				
	(b) Director/ Principal Share holders.				

(D) If the applicant is an alien, or a Company incorporated out side Pakistan state full particulars of the Company to be incorporated by the applicant in Pakistan for the purpose of receiving the grant of any licence or lease which may be granted including the following particulars:

- (i) Details of Capital
 - (a) Authorized.
 - (b) Issued & subscribed.
- (ii) Amount of capital proposed for This particular project.
- (iii) Name of Business.

		Name with Permanent, address of:-	Nationality.	Percentage of shares hold.
	Managing Director.			
	Directors / Share-holders.			

(NOTE):- Documentary evidence of incorporation of the Company in Pakistan should be furnished along with a copy of the Memorandum and Articles of Association and prospectus of the Company as soon as the Company has been incorporated in Pakistan.

4. Brief Particular of Previous experience, in Mining giving details of any Prospecting Licence or Mining lease.
-

5. Brief Particulars of any application for Licence or lease which has been submitted in the past in any country and its disposal
-
6. Name and qualification of Technical Experts or Advisors.
-
7. Brief particulars of the Mining Concessions held by you or your sister concern in Balochistan.
-
8. Brief particulars of Government dues on account of Annual Fee/Dead Rent and Royalty etc; which are outstanding against you or your sister concern in which you are a partner.
-
9. Any Special Remarks.
10. Documents attached.
- (i) Treasury Challan No.....dated.....for Rs.....(Rupees, in words.....) as application fee under the head of account "1300000-Misc. Receipt, 1390000. Others, 1391008-Other Receipts, under the Mines, and Oil Field and Mineral Development, (Govt. Control) Act, 1948 (134).
 - (ii) 15 copies of the plans of the applied for area prepared and signed by a Registered Mining Surveyor from Survey of Pakistan sheet No.....
 - (iii) Authenticated copy of Partnership deed duly registered with the Register of Firms/Companies (in case of Partnership firm only).
 - (iv) A copy of the Memorandum and Articles of Association along with an attested copy of the Certificate of incorporation/registration of the Company (in case of Limited Companies only).
 - (v) Proof of Local participation if arranged along with the Certificate in respect of share holders showing them as Local Domicile non-Local or outsiders (Under Rules 95(a) of Balochistan Mineral Rules 2002).

DECLARATION

I/We declare that all the entries in this form are correct to the best of my/our knowledge and belief.

SIGNATURE(S) OF APPLICANT(S)
MANAGING DIRECTOR.

Dated.....

(If the applicant is a company state authority on which form is signed).

INSTRUCTIONS

- (N.B.)**
- (i) All the entries should be typed or clearly handwritten in Capital Words.
 - (ii) There should be no over writing, particularly in Survey Data at para 2 (iii)
 - (iii) No column should be left blank. In case the reply against any column is Nil, the word NIL or NOT APPLICABLE should be written.
 - (iv) No Sketches will be entertained.
 - (v) All the copies of the map should be signed by Registered Mining Surveyor as well as the applicant.
 - (vi) Incomplete application and applications by post shall not be entertained.
 - (vii) A receipt against the application may be obtained from authorized Officer of the Department.

BALUCHISTAN MINERAL RULES, 2002
Application Form For Mining Lease
(Rules 10 and 83)

(FOR OFFICIAL USE ONLY)

Received an application under Rules 10 and 83 of Baluchistan Mineral Rules, 2002, for an area of _____ Hectare/Acres in Distt _____ on (date) _____ at (time) _____ along with the following documents:-

- (i) Treasury Challan No..... Date for Rs. as application fee.
- (ii) 15 copies of the plan duly signed by the registered Surveyor and the Applicant (S.O.P Sheet No.....).
- (iii) Authenticated copy of partnership deed/Memorandum and Articles of association (if applicable).
- (iv) Proof of Local Participation, (if already arranged).
- (v) N.O.C. Issued by the (if already arranged).....
- (vi) Any other documents.....
- (vii) Photo copy / copies of Identity Card No.....

Dated the.....

Authorized Officer,
For Director General
Mines & Minerals
Quetta Baluchistan.

Application Form For Mining Lease
(Rules 10 and 83)

(FOR OFFICIAL USE ONLY)

Received an application under Rules 10 and 83 of Baluchistan Mineral Rules, 2002, for an area of _____ Hectare/Acres in Distt _____ on (date) _____ at (time) _____ along with the following documents:-

- (i) Treasury Challan No..... Date for Rs. as application fee.
- (ii) 15 copies of the plan duly signed by the registered Surveyor and the Applicant (S.O.P Sheet No.....).
- (iii) Authenticated copy of partnership deed/Memorandum and Articles of association (if applicable).
- (iv) Proof of Local Participation, (if already arranged).
- (v) N.O.C. Issued by the (if already arranged).....
- (vi) Any other documents.....
- (vii) Photo copy / copies of Identity Card No.....

Dated the.....

Authorized Officer,
For Director General
Mines & Minerals
Quetta Baluchistan.

**QUALIFICATION OF TECHNICIANS WHO
CAN PREPARE AN EXPLOITATION SCHEME**

(See Rule 83)

1. **Coal.** A degree, diploma or certificate in mining engineering from a recognized university or institution, with a at least one year under ground working experience in the coal miens in case of a degree holder and three years, working experience in coal mines in case of diploma / certificate holder or a degree in the field of mining geology with one year's working experience in coal mines or First or Second Class qualification not mentioned above which in the opinion of the licensing authority is equal to or comparable with the above.
2. **Minerals other than coal.** A degree, diploma or certificate in mining engineering from a recognized university or institution with one year's underground working experience in mines in case of a degree holder and three year's underground working experience in mines in case of a diploma / certificate holder, or a degree in mining geology with one year's underground working experience in mines or any other qualification not mentioned above which in the opinion of the licensing authority is equal to or comparable with the above.

BALUCHISTAN MINERAL RULES, 2002
Application for Surrender of Land Subject to a Mineral Title
Or Mineral Concession by an Individual or a Company
(Rule 58)

To The Licensing Authority

Date and hour of receipt at Licensing Authority's Office.

Signature of Receiving Officer

Note: Where information cannot conveniently fit in this form, it should be included as an attachment.

PARTICULARS OF APPLICANT	
1. Name of applicant.	
2. Type of mineral title or mineral concession held.	
3. Date on which mineral title or mineral concession was granted.	
4. Registered number of mineral title or mineral concession.	
5. Date on which surrender is to take effect.	
6. State approximate size of area to be surrendered (that is if only part of the area is to be surrendered).	
7. Give particulars of reconnaissance, exploration or mining operations, as the case may be, carried out in the area to be surrendered.	

Enclosure to be attached with application:

- (i) Five copies of a comprehensive geological description of the area of land over which the licence is sought and five copies of a plan or map of such area drawn to a scale required by the licensing authority showing:
 - (a) its location with reference to magisterial districts; and
 - (b) the extent of the area and the boundaries by reference to identifiable physical features and co-ordinate reference points.

- (c) the potential for or nature of materialization.
- (ii) A report containing particulars of the state of the environment in the area to be surrendered, the effect which the operations may have had on the environment and any existing damage to the environment and measures taken or to be taken by the applicant to prevent, minimize or remedy any adverse effects to the environment including measures for the prevention of pollution, disposal of waste and rehabilitation of land.
- (iii) Records and reports in relation to the reconnaissance, exploration or mining operations, as the case may be, carried out in the area to be surrendered. (Refer to Rules).
- (iv) The application fee specified in the First Schedule to the Rules (Rule 10 (1) (c)).

I/We solemnly and sincerely declare that all the foregoing particulars are correct and that no Government taxes or dues are outstanding against me/us in respect of any title held by me/us or by any firm or company of which I/we have been partners or involved in a joint venture

Dated this.....day of20.....

.....
Signature of Applicant
(Where applicant is an individual)

Signed for and on behalf of----- (Company's name) by its duly authorized representative.

Name:-----

Designation:-----

Dated:-----

BALUCHISTAN MINERAL RULES, 2002

**Application for Approval of Assignment/Transfer
Of a Mineral Title or a Mining Lease (SSM)
(Rule 64)**

To The Licensing Authority

Date and hour of receipt at Licensing Authority's office

Signature of Receiving Officer

Information to be supplied by Applicant. Where information cannot conveniently fit in this form, it should be included as an attachment.

PARTICULARS OF APPLICANT	
1. Name of applicant (Assignor/Transferor etc.)	
2. Type of mineral title held or mining lease (SSM).	
3. Date mineral title or mining lease granted to, or became vested in the applicant.	
4. Registered No of mineral title or mining lease (SSM).	
5. Name and particulars of assignee (to be the same as that required of applicant for a mineral title or mining lease (SSM); <i>(Refer to Rule 18 (i)(a) and Rule 64(4)(c) and relevant application forms).</i>	
6. Give particulars of all other mineral titles held or mines operated in Pakistan by the proposed assignee/transferee whether jointly (or through a subsidiary/affiliate) currently or during the ten years immediately preceding the date of application, or where no such titles or mines are or were held or operated, particulars of any current or previous involvement by the proposed assignee/transferee (or any affiliate/subsidiary of the assignee/transferee) in reconnaissance, exploration, or mining operations outside Pakistan. <i>(Note:- Attach full information)</i>	

7. (a) State whether the proposed assignee/transferee has previously made an application for a licence, lease or permit, under the Rules. (b) If yes, state whether any such application was granted or refused, or lapsed.	
8. State whether the proposed assignee/transferee has previously held any licence, permit or lease authorizing exploration or mining operations in Balochistan (or elsewhere) which has been surrendered, revoked or cancelled.	
9. State reasons for the assignment.	
10. State any other information or any special remarks relevant to the application.	

Enclosure to be attached with application:

- (i) Copy of contract/agreement to assign/transfer between applicant (assignor) and assignee/transferee etc.
- (ii) An unconditional undertaking by the proposed assignee/transferee in terms of *Rule 64(4)(d)*.
- (iii) In the case of a corporate applicant, evidence confirming compliance with all corporate requirements for entering into the contract/agreement to assign/transfer etc.
- (iv) Evidence of assignee/transferee's financial and technical resources to carry out the type of mineral operations contemplated by the assignment/transfer etc., including evidence of mining related experience.
- (v) If the proposed assignee is a company; a copy of the Memorandum and Articles of Association; an attested copy of the certificate of incorporation/registration in Pakistan; and annual reports and audited financial statements of the company for the last three years.
- (vi) The application fee as specified in the First Schedule to the Rules (*Rule 10(1)(c)* and 64(4) (b)).

I/We solemnly and sincerely declare that all the foregoing particulars are correct and that no Government taxes or dues are outstanding against me/us in respect of any mineral titles held by me/us or by any firm with whom/which I/we are associated in a joint venture.

Dated this.....day of20.....

Signed by:

Name..... (Individual)

Designation.....

Signed for on behalf of(Company's name) by its duly authorized representative.

Name:.....

Designation.....

Date:.....

PART – VIII
The Regulation of Mines and Oil-fields and
Mineral Development [(Government
¹Control)] Act, 1948²
(ACT NO. XXIV OF 1948³.)

An Act to make provision for certain matters connected with the regulation of mines and oil-fields and mineral development.

WHEREAS it is expedient to make provision for certain matters connected with the regulation of mines and oil-fields and mineral development under Government Control;

AND WHEREAS it appears to the Central Government to be expedient in the public interest to make such provision to the extent hereinafter appearing;

It is hereby enacted as follows:

1. Short title, extent and commencement.- (1) This Act may be called the Regulation of Mines and Oil-fields and Mineral Development (Government Control¹) Act, 1948²⁻³.

1 Subs by President's Order No.1 of 1964, Art and Such, PLD 1965 Central Statues 17,27.

2. PLD 1949 Central Act 109.

3 For Statement of Objects and Reasons, see Gazette of Pakistan, Year 1948, Part V (Page 127).

The act has been-

- (i) applied to Balochistan, see Gazette of Pakistan, 1949, Part 1, Page 408;
- (ii) applied in the Federated Areas of Balochistan, see *ibid.*, Extraordinary, 1950, page 512;
- (iii) extended to the Leased Areas of Balochistan, see the Leased Areas (Laws) Order, 1950 (Governor-General's Order No.3 of 1950);
- (iv) applied to the Excluded Areas of West Pakistan, with effect from the 21st March, 1956 see Gazette of West Pakistan 1956, Extraordinary, page 239
- (v) applied to the Special Areas of West Pakistan, with effect from the 22nd March, 1959, see Gazette of west Pakistan, 1959, Extraordinary, page 243.

It has been extended to-

- (a) The Balochistan States Union, see the Balochistan States Union (Federal Laws) (Extension) Order, 1953 (Governor-General's Order No.4 of 1953);
- (b) The Khairpur State, see the Khairpur (Federal Laws) (Extension) Order 1953 (Governor-General's Order No.5 of 1953).
- (c) The State of Bahawalpur, see the Bahawalpur (Extension of Federal Laws) Order 1953 (Governor-General's Order No.11 of 1953).

⁴[(2) It extends to the whole of Pakistan]

(3) It shall come into force on such date⁵ as the Central Government may, by notification in the official Gazette, appoint in this behalf.

2. Power to make rules.- It is hereby declared to be expedient in the public interest that the [appropriate Government]⁶ shall have power to make ⁷ rules to provide for all or any of the following matters, namely;

- (1) the manner in which and the authority to whom, application for the grant or renewal of an exploration or prospecting licence, a mining lease or other mining concession shall be made, and the prescribing of the fees to be paid on such application;
- (2) the conditions in accordance with which the grant or renewal of an exploration or prospecting licence, a mining lease or other mining concession may be made, and the prescribing of forms for the execution or renewal of such licence, lease and concession;
- (3) the circumstance under which renewal of a licence, lease or concession as aforesaid may be refused, or any such licence, lease or concession whether granted or renewed may be revoked;
- (4) The determination of the rates at which, and the conditions subject to which, royalties, rents and taxes shall be paid by licensee, lessees and grantees of mining concessions;
- (5) The refinement of ores and minerals oils;

The Act has been and shall be deemed to have been brought into force in Gwadar with effect from the 8th September, 1958, by the Gwadar (Application of Central Laws) Ordinance, 1960 (37 of 1960), Section 2.

4 Substituted by the Central Laws (Statute Reform) Ordinance, 1960 (21 of 1960), section 3 and Second Schedule.

5 The 1st June, 1949 see Gazette of Pakistan, 1949, Part 1, page 246.

6 Subs. By President's order No.1 of 1964, Art. 2 and Sch. PLD 1965 Central Statutes 17, 27.

7 For the Pakistan Petroleum (Production) Rules, 1949, see Gazette of Pakistan, 1949 Extraordinary, pages 501-552;

For the Natural Gas Rules, 1960 see Gazette of Pakistan, 1960, Extraordinary, pages 919-956; and For the Pakistan Mining Concession Rules, 1960 see Gazette of Pakistan. Extraordinary 1960, pages 1107-1166 and also see pages 1-60, supra.

- (6) The control of production, storage and distribution of minerals and minerals oils;
- (7) The fixation of the prices at which minerals and mineral oils may be bought or sold; and
- (8) Any matter ancillary or incidental to the matters set out in the foregoing clauses of the section;

And the ⁸[appropriate Government] may, by notification in the official Gazette, make rules accordingly.

3. Penalties:- In making any rule under the preceding section the ⁸[appropriate Government] may direct that any breach of that rule shall be punishable with imprisonment for a term which may extend to three years, or with fine, or with both.

4. Effect of rules, etc., inconsistent with other enactments.- Any rule made under this Act, and any order made under any such rule, shall have effect notwithstanding anything inconsistent therewith contained in any enactment or in any instrument having effect by virtue of an enactment other than this Act.

5. Power to exempt: - The ⁸[appropriate Government] may, by notified order, declare that any mineral or mineral-oil or any class or description thereof shall be exempt from all or any of the provisions of the rules made under this Act, or that such provisions shall apply thereto with such modification or subject to such conditions as may be specified in the order.

REGISTERED NO. S.1033
EXTRACT FROM THE GAZETTE OF PAKISTAN

EXTRAORDINARY

Published by Authority

X Karachi, Thursday May, 28, 1964.

THE CENTRAL ADAPATION OF LAWA ORDERS 1964.
PRESIDENTS ORDER NO. 1 OF 1964.

Year of Statute 1948.	No. of the Statute XXIV.	Short title Of the Statute	AMENDMENTS MADE.
		ACTS.	
		The Regulation of Miners and oilfields and Minerals dev: (Federal Control) Act 1948.	SHORT TITLE PREMABLE AND SECTION 1 FOR Federal control substitute Govt: Control. Section 2.3.5:- For “For, Central Government, substituted (Appropriate Govt:) New Section : 6 After Section, 5 add the following new Section:-6 6. Definition of Appropriate, Government:- in this act, Appropriate Government means in relation to mines of nuclear substannil fields, and gas fields and development of such substances Minerals oil and gas the Central Government and in relation to the other mines and Mineral Development the provincial Government.

**GOVERNMENT OF BALOCHISTAN,
INDUSTRIES, COMMERCE, LABOUR MAN POWER
AND MINERAL DEVELOPMENT DEPARTMENT.**

NOTIFICATION.

Dated Quetta , the 10th May, 2000.

NO. S.O(M.R)5-13/ In exercise of the powers conferred upon him by section 2 of the Regulation of Mines and Oil fields and Mineral Development (Government Control) Act,1948 (XXIV of 1948) and in super-session of the Government of Balochistan, Industries, Commerce and Mineral Resources Department's Notification No.S.O.(M.R)5-13/93-2524-56, dated 9.6.1993 the Government of Balochistan is pleased to make the following rules:-

1. Short title and commencement.- (1) These Rules may be called the Balochistan Minor Minerals Concession Rules, 200.

(2) They shall come into force at once.

2. Definitions.- In these Rules, unless there is anything repugnant in the subject or context:-

(i) "Government" means the Government of Balochistan.

(ii) "**Gravel**" includes all types of fluvatile deposits in the form of pebbles and naturally rounded rock pieces occurring in loose or compact form;

(iii) "**Minor Minerals**" means ordinary sand, ordinary stone, gravel and bajri including lime stone aggregate and may include any other mineral so declared by the Government; and

(iv) "**Ordinary Sand**" means fluvatile deposit of minute fragments resulting from wearing down of predominantly siliceous rocks and deposits mainly in river beds and streams usually ranging from 5 microns to 2 millimeters in size but does not include silica sand suitable for glass making and includes clay and silty sand with significant sand particles commonly known as Bursar.

3. Scope of application.- These rules shall apply to leases and other matters relating to minor minerals.

4. Mining of minor minerals.- There shall be no mining of minor minerals except under a lease granted in accordance with these rules.

(PROVIDED that notwithstanding any thing in these Rules a lease for minor minerals to a Government Department and for lime-stone t an industrial undertaking and Crushing Plants shall be governed under the Balochistan Mining Concession Rules, 1970).

5. Period of lease.- The period of a lease shall not exceed five years.

6. Mode of Grant.- A lease shall be granted through an auction conducted by an auction Committee constituted under these rules.

7. Constitution of an Auction Committee.- (1) Government may, by notification, constitute an Auction Committee consisting of members in each District, to conduct auction of leases for minor minerals.

(2) an officer in B-17 or above of the Mineral Development Wing, Directorate of Mineral development shall act as Secretary of an Auction Committee.

8. Schedule of Auction.- The Secretary of the committee shall, for the purpose of general information cause to be prepared and maintained a schedule, along with necessary plans based on Survey of Pakistan maps of the area in a District where minor minerals are situated and shall also cause a tentative programme for auction formulated and maintained in his office.

9. Shape of the area.- each area in respect of which a lease is granted shall, as far as practicable, be in a compact shape and shall be identified by well marked permanent physical boundaries or by straight lines.

10. Size of the area.- No lease shall be granted in respect of an area exceeding one hundred acres.

11. Public Notice of auction.- For the general information of the public, the Secretary shall, through a public notice, advertise at least 15 days prior to the date of auction.

- (i) the details of the area in respect which the lease is proposed to be granted;
- (ii) the details of the auction programme specifying the date, time and place where the auction is to take place; and
- (ii) the terms and conditions of the auction.

12. Registration of Applicant.- (1) A person desirous of taking part in an auction shall submit, by hand, an application complete in all respects to the Secretary or to an Officer authorized by him in this behalf in Form-A annexed to these Rules for registration, at least one day prior to the auction.

(2) Every application under sub-rule (1) shall be accompanied by-

- (i) earnest money as prescribed by the Government; and
- (ii) a copy of

- (a) the National Identity Card of the applicant;
- (b) income tax registration;
- (c) the duly registered partnership deed where the applicant is a partnership firm;
- (d) each document of immovable property and financial viability of the applicant as prescribed by the Licensing Authority; and
- (e) the articles and memorandum of association alongwith evidence of paid up capital, if the applicant is a Company.

(3) If an application is not submitted in accordance with the provisions of Sub-rule (1) and (2) it shall be rejected and the applicant shall not be eligible to take part in the auction.

13. Acknowledgment of application.- The Officer receiving the application shall record thereon the date and time of its receipt and deliver to the applicant a registration slip stating the date and time of the auction.

14. Powers to accept or reject a bid.- The Licensing Authority shall have the power to accept or reject the highest bid received in an auction without assigning any reason.

15. Negotiations for the improvement of bid. If in the opinion of the Licensing Authority, the highest bid received for an area in the auction is not adequate, it may, before refunding the earnest money to the parties who had participated in the auction for the said area, negotiate with them to improve the bid to its satisfaction:

Provided that if the bid is not improved to the satisfaction of the Licensing Authority, it may re-auction the area, and may accept the highest bid received in the said re-auction.

16. Refund of earnest money.- (1) Subject to the provisions of Rule 15, the earnest money deposited by an applicant in connection with an auction shall be refunded after the auction except to the highest bidder whose earnest money will be refunded only if the bid is rejected by the Licensing Authority.

(2) In case the bid is accepted, the earnest money will be adjusted towards the bid money.

17. Payment of bid money. The highest bidder shall deposit the balance of the bid money in the manner and within the time prescribed by the Government failing which the earnest money shall stand forfeited, in which case, the next highest bid may be treated as the highest bid.

18. Refund of bid money.- In case the highest bid is rejected by the Licensing Authority, the bid money deposited by the bidder shall be refunded.

19. Security Deposit.- (1) On approval of the bid, the highest bidder shall deposit 25% of the bid money as security within a period of ten days in the manner prescribed by the Licensing Authority.

(2) failure to deposit security within the time limit prescribed under sub-rule (1) will render the bid money including earnest money already deposited liable to forfeiture and rejection of the bid.

(3) On the expiry or termination of the lease, as the case may be, the security deposit shall be refunded to the lessee after making such deductions on account of outstanding dues, compensation for surface damage, penalty or otherwise as the Licensing Authority may order.

20. Grant of lease:- (1) After the security deposit is made, the Licensing Authority shall issue an allotment letter, whereupon the lease shall stand granted to the highest bidder.

(2) The letter shall state the terms and conditions of the lease.

21. Payment of installments.- (1) The lessee shall pay the installments, if any of the bid money in advance on the dates stated in the allotment letter and submit the original Treasury Challan to the Licensing Authority.

(2) In case the lessee fails to pay any installment by the due date, the Licensing Authority or an authorized agent of the authority may stop the work, cancel the lease and resume possession of the area.

22. Surface rent.- (1) A lessee shall pay, for all Government land which he may use or occupy superficially for the purposes of the operations conducted under the lease, a surface rent at the rate assessable under the Revenue Law or rules applicable in the district in which the land is situated.

Provided that if no such rent is assessable under the existing law, the rent may be fixed by the Licensing Authority.

(2) if the land belongs to a private person, a lessee shall pay surface, rent to the owner of the land actually used or occupied superficially at such rate and in such manner as may be mutually agreed upon between the lessee and the land owner and in case of disagreement between them, at such rate and in such manner as may be determined by the Licensing Authority whose decision shall be final.

23. Acquisition of land:- If, in the opinion of the Licensing Authority, it is necessary to acquire land to provide access to the leased area, it may acquire it under the Land Acquisition Act. 1894.

24. Compensation.- A lessee shall pay such compensation as may be assessed by the authority concerned in accordance with law for the time being in force for all damage, injury or disturbance which maybe caused as a result of the operations carried on by him under the lease and shall indemnify the Licensing Authority or any officer working on its behalf against all claims which may be made by third parties in respect of any such damage, injury or disturbance and in case of dispute the matter shall be referred to the Licensing Authority, whose decision shall be final:

Provided that before proceeding under this rule, the Licensing Authority shall give the parties reasonable opportunity of being heard.

25. Operation in the reserved and protected forests.- (1) All operations conducted under these rules within a reserved or protected forest shall be subject to such conditions as the Licensing Authority may by a general or a special order, prescribe.

(2) It shall be a condition of every lease granted under these rules that before the commencement of mining operations within a reserved or protected forest, a notice shall be given to the District or Divisional Forest Officer concerned of the intention to commence operations.

26. Demarcation of area.- (1) Lessee shall, within ten days of the issue of allotment letter, cause the area granted to be demarcated on ground according to the survey data and at his own expense, erect and maintain at all times concrete/permanent boundary marks and pillars standing not less than 1 meter above the surface of the ground and being not less than ½ meter square in diameter at the base at every angle or corner of boundary line. In case the lessee fails to erect or maintain the boundary pillar the Licensing Authority or its authorized agent may impose penalty at such rate as prescribed by the Government.

(2) The lessee may get the area demarcated officially after paying such fee as prescribed by the Government.

(3) A boundary dispute, in respect of the leased area, shall be referred to the Licensing Authority, whose decision shall be final.

27. No work within 100 meters from any Railway Line, etc.- A lessee shall not carry on or permit to be carried on any mining operations at or upto any point within a distance of 100 meters from any railway line, water reservoir, power/ telephone line, gas pipeline, agricultural land or other public works, or building or place of archeological importance except with the previous permission, in writing, of the Licensing Authority and in accordance with such conditions as it may impose.

28. Inspection.- A lessee shall provide the Licensing Authority or an officer authorized by it in this behalf, all reasonable facilities to enter upon the leased area for purposes of inspection survey, measurements or enquiry about any matter relating to the lease and shall make available all records pertaining thereto for examination.

29. Access to other lessee.- A lessee shall allow existing and future lease holders of any area adjoining or accessible through the land held by the lessee all reasonable facilities of surface access thereto, on the terms and conditions as may be determined by the Licensing Authority.

(2) Failure on the part of the lessee to comply with the terms and conditions determined by the Licensing Authority under sub-rule (1) shall render him liable to penalty as may be prescribed by the Government.

30. Change in the constitution of the lessee.- A lessee shall not make any change in its constitution without prior consent in writing of the Licensing Authority.

31. Exclusion of lands for public purposes etc.- If an area or a portion thereof held under a lease is required at any time for any public purpose, the lessee shall forthwith release to the Licensing Authority such area and to such extent as is required by the Government and in such a case the bid money will be reduced proportionately.

32. Un-authorized mining.- If any person carries out mining of minor minerals outside the area granted to him under a lease or in any area for which he has not obtained a lease or obstructs free access of a lessee to the leased area or directly or indirectly tries to interfere with the mining operations by a lessee, he shall be liable, on conviction before the Magistrate of such class as the Government directs in this behalf, to a fine not exceeding Rs. 50,000/- or imprisonment for a term which may extend to three years or with both.

Provided that before proceeding, the person shall be given a reasonable opportunity of being heard.

33. Right of surrender.- (1) A lessee desirous of surrendering the area under lease shall give either two months prior notice in writing to the Licensing Authority or pay proportionate bid money in lieu thereof.

(2) In case of partial surrender of the area, the lessee shall not be entitled to any reduction in the bid.

34. Assignment. A lessee shall not transfer any right or interest any right or interest under the lease, nor part with the possession of the area or any part thereof, without the previous consent in writing of the Licensing Authority.

35. Method of making application for assignment.- (1) An application for assignment under these rules, shall be submitted at least three months before the expiry of the lease and shall be accompanied by the fee as prescribed by the Government.

(2) The application signed by both the assignee and the assignor shall be presented in person to the Licensing Authority or the officer authorized by it in this behalf.

(3) The security deposited by the assignor will be transferred to the assignee after approval of the assignment by the Licensing Authority.

36. Extension in the lease period.- (1) The lease period will be effective from the date of issue of allotment letter.

(2) In case a lessee fails to assume possession of the area or to work therein, due to circumstances beyond his control and can prove it to the satisfaction of the Licensing Authority, it may either extend the lease period to that extent or refund the proportionate bid money in lieu thereof.

Explanation.- No relief under this rule shall be admissible because of rains or flood in the river/channels or dangerous quarry operations.

37. Removal of buildings, structures etc. on expiry of lease.- (1) On expiry or termination of a lease, the lessee shall hand over the possession of the area to the Licensing Authority or its authorized representative clear of all buildings, structures, machinery, excavated minerals and other things.

(2) In case such buildings, structures, machinery, minerals or other things are not removed within one month from the date of expiry or termination of lease, it shall vest in the Licensing Authority without any right of the lessee for compensation and the Licensing Authority may dispose these of in such manner as it may deem fit.

38. Violation of rules or lease agreement.- (1) Except otherwise provided in these rules, in case of violation or breach of any rule or any term or condition of the grant of lease, the Licensing Authority shall give a notice to the lessee providing him with an opportunity to remedy the breach within the time specified in the notice.

(2) If the lessee fails to remedy such violation or breach within the specified time, the Licensing Authority may terminate the lease and forfeit the bid money already paid by the lessee.

39. Erection of buildings etc.- No body other than a lessee shall erect any building structure machinery or plant within a distance of 100 meters from the foot of a hill in the leased areas except with the previous permission in writing, of the Licensing Authority.

40. Services of letter and notices.- Any letter or notice issued to the lessee at his postal address by registered post will, for purposes of these rules, be considered sufficient service.

41. Safe working.- (1) If, on inspection or other-wise, the Licensing Authority is of the opinion that a lessee is working in a manner contrary to the conservation of mineral property or safety of workers or other people, the Licensing Authority may require the lessee, in writing to remove the defects or amend the method of mining within a period, not exceeding two months, as determined by the Licensing Authority.

(2) If the lessee fails to comply with the instructions within the specified period, the Licensing Authority shall have the power to stop the work of extraction of minerals in whole or in any part of the area demised under the lease till such time that the defect are removed to the satisfaction of the Licensing Authority and the lessee will not be entitled to any relief whatsoever on this account.

(3) If the defects are not removed or the method of mining is not amended to the satisfactions of the Licensing Authority within two months from the date of the stoppage of work, the lease will be cancelled and the bid money already paid, shall be forfeited.

42. Re-auction of areas.- An area will be re-auctioned before the date of expiry of its lease but if the auction or the grant of lease is delayed due to certain reasons, the Licensing Authority, subject to the payment of proportionate bid money in advance for the extended period, may extend the period of previous lease upto the date of next grant.

Provided that any extension beyond a period of six months on this account will be subject to the approval of the Government.

43. Issuance of slips.- (1) The lessee shall not dispatch any mineral from the leased out area without issuing a dispatch slip duly signed by the lessee or his authorized representative, clearly showing the name of the lessee, lease number and location of the lease, registration number of the vehicle, serial number of dispatch slip, date of issue and quantity of the mineral dispatched.

(2) If a lessee fails to issue proper dispatch slips, the Licensing Authority or an officer authorized by it in this behalf may impose a penalty as may be prescribed by Government.

(3) If a lessee commits repeated violations of this rule, the Licensing Authority may terminate the lease and forfeit the installment or bid money already paid.

44. Mode of payment.- All amounts payable under these rules shall be deposited into a Government Treasury or into any Bank authorized by the Government for the purpose, under the Head of Account specified by the Government.

45. Taking over possession of Area.- (1) On expiry or earlier termination of a lease the possession of the area will be assumed by the Licensing Authority, or its authorized representative and entry in this respect shall be made in the record of the Licensing Authority.

(2) Possession of the area shall be considered as validly assumed if entry to this effect is available in the record of the Chairman of the Auction Committee or the Licensing Authority and intimation has been sent to the concerned revenue officer of the district.

46. Outstanding dues payable even after expiry of a lease.- On the surrender, expiry or termination of a lease, as the case may be, the lessee shall be responsible for payment of all outstanding dues and other charges which, in the event of nonpayment shall be recoverable as arrears of land revenue.

47. Black listing.- (1) A person may be black listed by the Licensing Authority on account of serious and repeated violations of these rules.

(2) The lease held by such a person shall stand terminated and such person will be debarred from taking part in an auction.

48. Appeal.- If a person is aggrieved by an order of the Licensing Authority passed under these rules, he may, within thirty days of the communication of the impugned order and on payment of such fee as may be prescribed by the Government, prefer an appeal to the Government in the appropriate department.

Explanation.- The expression appropriate department means the Secretary,

Industries, Commerce and Mineral Development Department,
Government of Balochistan.

(2) The Secretary Industries, Commerce, and Mineral Development may, pending the decision of the appeal, grant a stay order:

Provided that an application for stay order in respect of Government dues shall be accompanied by a pay order of one fourth of the disputed amount in favour of the Licensing Authority, failing which the application shall not be entertained.

(3) If the appeal in which a stay order had been granted is finally rejected and the Appellate Authority is of the view that the appeal was preferred on frivolous grounds or the stay order was obtained by deceit or fraud on the part of the appellant, it may, while deciding the appeal, impose a penalty on the appellant upto 5% of the bid money or the disputed amount as the case may be.

(4) The amount deposited under sub-rule (2) would first be adjusted towards the imposed under sub-rule (3) and the remaining amount, if any, may be adjusted towards the Government dues, and the balance, if any shall be refunded to the appellant.

**BY ORDER OF
GOVERNOR BALOCHISTAN**

**ARIF AZIM
Secretary Industries.**

Rules have been published in the Balochistan Gazette Extra Ord. No. 10 Dated May 10,2000 (Pages 1-10)

**GOVERNMENT OF BALOCHISTAN
INDUSTRIES COMMERCE MINERAL RESOURCES
LABOUR AND MINPOWER DEPARTMENT.**

Quetta, the 2nd September, 2000.

NOTIFICATION

No.SO(M.R)5-13/2000/5518-19. In exercise of the power conferred by section 2 of the Regulation of Mines and Oil Fields and Mineral Development (Government Control) Act, 1948 (XXIV of 1948) the Government of Balochistan is pleased to amend the Balochistan Minor Minerals Concession Rules, 2000, namely: -

After rule 10, the full stop appearing at the end shall be substituted with a colon and thereafter the following proviso shall be added: -

“Provided that notwithstanding anything contained in these rules, right of collection of royalty on minor minerals may be leased out partly or throughout the District to the highest bidder”.

**BY ORDER OF
GOVERNOR BALOCHISTAN**

**(MUHAMMAD ARIF AZIM)
SECRETARY TO
GOVERNMENT OF BALOCHISTAN
INDUSTRIES COMMERCE MINERAL RESOURCES
LABOUR AND MANPOWER.**

See Balochistan Gazette Extra Ord.

Dated September 2,2000 (Page No.)

**GOVERNMENT OF BALOCHISTAN
LAW DEPARTMENT.**

NOTIFICATION

Dated Quetta, the 3rd September, 1978.

No. Legis: 1-46/Law/78. The following Ordinance made by the Governor of Balochistan on the 23rd August, 1978 is hereby published for general information:-

BALOCHISTAN ORDINANCE NO. XVIII OF 1978.

**THE BALOCHISTAN MARBLE AND COAL MINERALS
(CONTROL OF MOVEMENT) ORDINANCE, 1978.**

**AN
ORDINANCE**

To control the movement of Marble and Coal minerals from Balochistan to other Provinces of the State.

Preamble.

WHEREAS, it is expedient to provide for the control the movement of Marble and Coal minerals from Balochistan to other Provinces of the State;

AND WHEREAS, the Governor is satisfied that circumstances exist which render it necessary to take immediate action;

NOW, THEREFORE, in pursuance of the Proclamation of the fifth day of July, 1977 read with Laws (Continuance in Force) Order, 1977 (CMLA Order No. 1 of 1977) and in exercise of all powers enabling him in that behalf, the Governor of Balochistan is pleased to make and promulgate the following Ordinance;

Short title
extent and
Commencement.

1. (1) This Ordinance may be called the Balochistan Marble and Coal Minerals (Control of Movement) Ordinance, 1978.

(2) It shall extend to the whole Province of Balochistan except the Tribal Areas.

(3) It shall come into force at once.

Definitions.

2. In this Ordinance unless there is anything repugnant in the subject or context;

(a) “Government” means the Government of Balochistan

(b) “Licensing Authority” means the Joint Director Mineral Development Government of Balochistan.

3. No person or Company shall be allowed to transport either by road or rail Coal or Marble from the Province of Balochistan to other Provinces except on a rahdari, issued in this behalf by the Licensing Authority.

4. Any person, Company may apply to the Licensing Authority for grant of rahdari on a Form prescribed by the Government.

5. The Government may by notification in the gazette prescribe the manner in which the Licensing Authority may issue rahdari before dispatch of Coal, Marble by road/rail from the Province of Balochistan for the quantity of minerals purchased and intended for dispatch by the purchaser or agent on submission of an application.

6. The permit/rahdari shall be issued immediately by the Licensing Authority on demand to the individual/agency on his production of relevant material signifying the sources and quantity of minerals purchased.

7. The individual/agency shall submit to the Licensing Authority a monthly return on the prescribed form showing the quantity of minerals purchased and dispatched by him, before 7th of each ensuing month.

8. If any individual/agency fails to comply with the provisions of this Ordinance or the rules made there under, be or it, as the case be, shall be liable to be fined upto Rs.5, 000/-(Rupees five thousand) for each violation and the Coal or Marble shall be liable to confiscation in favour of the Government by the Licensing Authority. The fine imposed under this section shall be recoverable as arrears of land revenue.

9. The Licensing Authority may delegate all or any of its powers to any officer of Grad-17 in the Directorate of Mineral Development Balochistan.

10. The Government may make rules for carrying out the purpose of this Ordinance.

**Quetta Dated the
23rd August, 1978.**

**MR. JUSTICE MIR KHUDA BAKHSH MARRI,
GOVERNOR BALOCHISTAN.**

**FAKHRUDDIN H. SHAIKH.
Secretary,
Government of Balochistan,
Law Department.**

See Balochistan Extra Ord:	Gazette No.	Dated 23rd August, 1978.
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**GOVERNMENT OF BALOCHISTAN
INDUSTRIES, COMMERCE,
MINERAL RESOURCES DEPARTMENT.**

**BALOCHISTAN MARBLE AND COAL PERMIT/RAHDARI
PROCEDURE RULES, 1978**

NOTIFICATION

No. S.O. (MD)1-20/77. In exercise of the powers conferred by Section-10 of the Balochistan Marble and Coal Minerals (Control of movement) Ordinance, 1978, the Government of Balochistan is pleased to make the following rules:-

1. SHORT TITLE EXTENT AND COMMENCEMENT.

- (1) These rules may be called the Balochistan Marble and Coal (Permit/Rahdari Procedure) Rules, 1978.
- (2) These rules shall come into force at once.

2. DEFINITIONS.

In these rules, unless the context otherwise requires, the following expressions shall have the meaning hereby respectively assigned to them, that is to say:-

- (a) “Dealer” means, the person/individual/agency association carrying on business of selling and purchase of Marble and Coal, other than a Mining Concessionaires.
- (b) “Form” means, the form attached to these rules.
- (c) “Mining Concessionaire” means, the person to whom concession of licence or lease for marble and coal has been granted under the Balochistan Mining Concession Rules, 1970.

3. INFORMATION TO BE PROVIDED IN APPLICATION FOR THE GRANT OF PERMIT/RAHDARI.

(1) Every application for a permit/rahdari to dispatch coal or marble from the Province of Balochistan to other Provinces shall be made in form PR-I.

(2) Any dealer, before making an application for the grant of a permit/rahdari shall get him-self registered with the Licensing Authority or the form PR-2. The permit/rahdari shall be issued in form PR-3 the Registered dealers only. The application for Registration should be accompanied by a Challan of Rs.100/- as Registration fee to be

deposited under the Receipted Head of Account XLVI-Misc-K-Receipt-Arising out of Mines-Oil Fields and Mineral Development (Government Control) Act, 1948. The initial period of Registration shall be one year and renewable for like periods.

(3) On receipt of the application for permit/rahdari the Licensing Authority may, after examining the relevant material produced by the dealer, issue a permit/rahdari, in Form PR-3 subject to the following conditions: -

- (a) The permit/rahdari shall be issued for a period not exceeding three months from the date of issue of the permit/rahdari. The permit/rahdari shall, however, be extend-able for another period of three months on submission of application quoting sufficient cause for not removing the mineral within the specific period.
- (b) The dispatch/removal of coal and marble shall be completed within the period specified in the permit/rahdari.
- (c) The permit shall be returned to the Licensing Authority on expiry of the specified period after it is certified by the Mining Concessionaire, that the conditions of the permit/rahdari have been duly satisfied in the prescribed manner.
- (d) The application for grant of permit/rahdari may be rejected by the Licensing Authority without giving any reason thereof.
- (e) The Licensing Authority may cancel any such permit/rahdari if he is satisfied that any of these rules are being infringed by the dealer concerned.

SUBMISSION OF MONTHLY RETURNS.

4. The dealer shall submit to the Licensing Authority a monthly return in Form PR-4 regularly so as to reach the Licensing Authority before 7th of each ensuing month. A 'NIL' returns has to be submitted even if there is no dispatch in a month.

MAINTENANCE OF REGISTER.

5. The Licensing Authority shall keep a Register in the Form PR-5 wherein the particulars of the registration of the dealer may be maintained properly. Record of the accounts of purchase and disposal shall be maintained in a Register in form PR-4 by the Licensing Authority.

APPEAL

6. Aggrieved by a decision of the Licensing Authority an appeal shall lie to the Government within thirty (30) days of the date of the decision. The decision of the Government shall be final.

By order of the Governor of Balochistan.

S.R. Poonegar,
Secretary,
Industries, Commerce Mineral
Resources Department,
Government of Balochistan, Quetta.

See Balochistan Gazette Extra Ord: Dated

(Page No.)

FORM PR-1.

(See Rule-3 (1))

**APPLICATION FOR PERMISSION TO DISPATCH OF MARBLE/COAL UNDER
THE BALOCHISTAN MARBLE AND COAL
(PERMIT/RAHDARI PROCEDURE) RULES, 1978.**

1. Name of applicant/dealer _____
2. Father's name _____
3. Caste or tribe. _____
4. Permanent address. _____
5. Temporary address. _____
6. Name and quantity of the mineral purchased and intended to be dispatched. _____
7. Name of province to which the minerals to be dispatched. _____
8. Means of transportation. By rail/ By road.
9. In case the mineral is to be dispatched by rail, the name of loading station and railway plot may be indicated. _____

Signature. _____

CERTIFICATE OF THE MINING CONCESSIONAIRE.

Certified that we have sold/agreed to sell _____ Metric tons of coal/marble
M/s. _____ from our mining area under Prospecting Licence/Mining Lease
No. _____.

The mineral shall be supplied by us within _____ months from
(Indicate dates) _____.

Dated: _____

Signature of owner/
Managing Director _____

**GOVERNMENT OF BALOCHISTAN
DIRECTORATE OF MINERAL DEVELOPMENT
QUETTA.**

PRICE PER SET
RE. ONE ONLY.

FORM PR-2
(See Rule 3(2))

**APPLICATION FORM FOR REGISTRATION OF PERSON
INDIVIDUAL/AGENCY/ASSOCIATION DEALING IN
PURCHASE AND SALE OF MINERALS.**

FURNISHING OF FALSE OR INCORRECT INFORMATION MAY LEAD TO
SUMMARY REJECTION OF APPLICATION AND IN ADDITION THE
APPLICATION MAY BE LIABLE FOR ACTION UNDER RULE _____

1. Name of dealer.....
2. Father's name.....
3. Address of the Individual/dealer/agency/association:-
Street/road_____town_____Tehsil_____
District_____Telephone No. if any _____
4. Name of mineral (s) dealing in_____
5. Principal place of business.....
6. If the individual/agency/Dealer/Association is a member of association, give its
No. and date._____
7. If the agency is partnership firm/company, the name of the partners/share
holders/directors should be indicated:-
 - 1.....
 - 2.....
 - 3.....
 - 4.....
8. Bank reference_____.

Signature (s) of the applicant (s).

Fore official use only.
Fee paid Rs._____
Vide Challan No._____
Date _____
Registration No.
allotted._____
Signature of the
Officer Incharge.

FORM PR-3

(See Rule 3 (2))

**PERMIT/RAHDARI TO DISPATCH/REMOVAL OF MARBLE/COAL
UNDER THE BALOCHISTAN MARBLE AND COAL
(PERMIT/RAHDARI PROCEDURE) RULES, 1978.**

This is to certify that Mr./M/S. _____
S/O _____ Caste _____ Tehsil _____
District _____ has/ have been permitted to dispatch/remove _____
Metric tons of Marble/Coal by rail/road from _____ loading station to _____

This permit is issued subject to the conditions as prescribed in the above rules and will remain in force till _____. It shall be returned to the Licensing Authority by the _____.

Dated: _____/ _____/ _____
Licensing Authority,
Mineral Development, Quetta.

Copies are forwarded to:-

1. M/S. _____ (name of Company).
2. The Divisional Superintendent, Pakistan Railways, Quetta.
3. The Station Master _____.

CERTIFICATE.

Certified that the conditions of the above permit has been satisfied and that the mineral dispatched by the above dealer does not exceed that mentioned in the permit.

No. _____/ _____
Dated. _____/ _____
Signature _____
Managing Director of the
Company.

To

.....

.....

.....

FORM PR-4

(See Rule-4)

MONTHLY PURCHASE AND DISPOSAL RETURN

For the month of _____

Name of the dealer and address _____

Registration No. _____

D.M.D. Permit No. _____

Name of Mineral _____

Valid upto _____

Stock at the beginning of the month i.e. Opening Balance.	Purchase during the month.	Total Column 1 and 2.	<u>Dispatches</u>		Total dispatches. (4+5)	Stock at the end of the month i.e. Closing Balance.
			By rail	By road		
1.	2.	3.	4.	5.	6.	7.

SOURCE OF PURCHASE.

(Give details of item 2)

A. If purchased from the producing company, i.e. concessionaire.

B. If purchased from coal/marble agent etc:

Name of company.	Tonnage.	Location of Mine.	Location of stocking place.	Total.		Name of the agent.	Registration No.	Tonnage.	Location of stocking place.	Total.
1.	2.	3.	4.	5.		1.	2.	3.	4.	5.

DISTRIBUTION OF PURCHASES.

(Give details of item 4 & 5)

A. If dispatched to other than the consumer.

Name of buyer/agent.	Registration No.	Tonnage.	Loading point.	Destination.	Transport by rail.	Transport by road.	Total dispatches.
1.	2.	3.	4.	5.	6.	7.	8.

B. If dispatched directly to consumers.

Note: Dispatches to other provinces may be shown in the consumer's column.

Name of consumer.	Tonnage.	Loading point.	Destination.	Transport by rail.	Transport by road.	Total dispatches.
1.	2.	3.	4.	5.	6.	7.

FORM PR-5

(See Rule -5)

**GOVERNMENT OF BALOCHISTAN
DIRECTORATE OF MINERAL DEVELOPMENT
QUETTA.**

S.No.	Name and address of the dealer.	Name of mineral for which registration has been applied for.	Principal place of business.	Registration No. with date of allotment.	Amount of fee paid vide challan No. and date.	Period of registration.	Date of first renewal.	Date of second renewal.	Signature of Officer incharge with date.
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.

**THE BALOCHISTAN MINING
CONCESSIONS (ACQUISITION) ACT, 1973**

(Baln Act VIII of 1973)

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SECTIONS

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2. Definitions.
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6. Vesting of the Mining Concessions in Government absolutely.
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12. Provisions of this Act to override other laws.
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Mining Concessions

(Acquisition)

[1973: Baln Act VIII]

SECTIONS

14. Repeal.

**THE BALOCHISTAN MINING
CONCESSIONS (ACQUISITION) ACT, 1973**

(Baln act VIII of 1973)

[12th June, 1973]

**An Act to empower the Provincial Government to acquire certain mining
concessions in the Province of Balochistan.**

WHEREAS it is expedient in the public interest to acquire certain mining concessions in the Province of Balochistan. Preamble

It is hereby enacted as follows:-

1. (1) This Act may be called the Balochistan Mining Concessions (Acquisition) Act, 1973. Short title, extent and application.

(2) It extends to the whole of the Province of Balochistan except the Tribal Areas.

(3) It shall come into force at once.

2. (1) Expressions used herein and not defined otherwise shall have the same meaning as are assigned to them in the Balochistan Mining Concessions Rules, 1970. Definitions.

(2) Unless there is anything repugnant in the subject or context “Mining Purposes” include the sinking and searching for, wining, working, getting, making,, merchantable, smelting or otherwise converting or working for the purposes of any manufacture, carrying away in mines and outside it already excavated.

1. The Act, was passed by the Balochistan Assembly on 10th January, 1973; and, assented to by the Governor of Balochistan on 2nd June, 1973; published in the Balochistan Gazette (Extraordinary) No.23 dated 12th June, 1973.

Mining Concessions
(Acquisition)

[1973: Baln Act VIII]

- Preliminary Notice. **3.** (1) Whenever the Government is satisfied that a mining concession is needed for a public purpose it may acquire such mining concession in accordance with the provisions of this Act.
- (2) If the Government intends to acquire any mining concession, the particulars and description of the same shall be published by notification in the official Gazette.
- Hearing of objections. **4.** (1) A lessee or a licensee of the mining concession which has been notified under sub-section (2) of Section 3, may within a period of thirty days of the publication of such Notification, object to the acquisition of his mining concession.
- (2) Every objection under sub-section (1) shall be made to the Licensing Authority in writing and the Licensing Authority shall give the objector an opportunity of being heard and shall, after making such further inquiry, if any, as he thinks necessary, submit the case to the Government together with the record of the proceedings held by him and a report containing his recommendations on the objections. The decision of the Government on the case shall be final.
- Declaration of Mining Concession acquired for public purpose. **5.** (1) After the expiry of a period of thirty days of the publication of notification under section 3(2) or after the decision of the Government on an objection, if any, filed under section 4(1), the Government shall make a declaration to the effect that the mining concession in question has been acquired for public purposes.
- (2) The declaration referred to in sub-section (1) shall be published in the official Gazette.
- (3) The said declaration shall be conclusive evidence that the property has been acquired for a public purpose.

6. (1) Upon the publication of Notification under sub-section (2) of section 5, the mining concession shall vest absolutely in the Government free from all encumbrances and charges.

Vesting of the
Mining
Concessions in
Government
absolutely.

(2) Upon the publication of Notification under sub-section (2) of section 5, Licensing Authority or a person duly authorised by the Licensing Authority in this behalf, may enter upon and take possession of the area of mining concession acquired by the Government.

7. (1) A lessee or a licensee may, within a period of thirty days from the taking over of possession by the Licensing Authority under section 6, apply to the Committee constituted by the Government, constitution of which shall be notified by the Government in the official Gazette, for determination of compensation of the acquisition of such mining concession.

Compensations.

(2) Application under sub-section (1) shall be in writing and shall give details upon which compensation is claimed.

(3) The Committee appointed under sub-section (1) of section 7 shall give an opportunity to the applicant to adduce evidence in support of his claim and shall also call upon the Licensing Authority to produce evidence in support of his case.

(4) after hearing both the parties the Committee shall determine the amount of compensation. While giving the Award, the Committee shall keep in view the development made by the Licensee, or lessee and the benefits derived by him from such concession, and shall also take into consideration improper working of the mine, violation of law, regulation, rules and directions given together with the consequences of such violations.

(5) The AWARD made by the Committee shall be final and shall not be called into question in any Court.

Mining Concessions
(Acquisition)

[1973: Baln Act 1973]

Magistrate to
Enforce surrender.

8. If the Licensing Authority or any person authorized on his behalf is opposed or impeded in taking possession of the area of concession under this Act, he shall apply to a Magistrate, having jurisdiction in the area and such Magistrate shall enforce the surrender of the area of the mining concession to the Licensing Authority.

Disposal of the
Acquired Mining
Concession.

9. The mining concession acquired under this Act may be granted to any of the following:-

- (a) The Mineral Directorate of Government of Balochistan.
- (b) A Corporation set-up for the purpose by the Government;
- (c) Any statutory corporation;
- (d) Government in partnership with a private company.

Bar on
Jurisdiction of
Courts

10. Action taken, order made, proceedings held or decision given under this Act and the rules made there under, shall not be called into question in any Court, including the High Court and the Supreme Court.

Exemptions.

11. Government may exempt any mine or class of mines or mining concession from the operation of this Act; and may release any mine from acquisition in favor of the original lessee or the licensee, on such terms as it may deem fit.

Provisions of this
Act to override
Other laws.

12. The provisions of this Act shall prevail notwithstanding anything contained to the contrary in any other law.

[1973: Baln Act VIII]

**Mining Concessions
(Acquisition)**

13. The Government may make rules for carrying out the purposes of this Act. Powers to make Rules.

14. The Balochistan Mining Concession (Acquisition) Ordinance, 1972 (Balochistan Ordinance No. XV of 1972) is hereby repealed. Repeal.