

Annexure II

GOVERNMENT OF PUNJAB

Department of Legal and Legislative
Affairs

The Punjab Minerals (Vesting of Rights)
Act, 1994

(Punjab Act No. 9 of 1996)



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THE PUNJAB MINERALS (VESTING OF RIGHTS) ACT, 1994

(Punjab Act No. 9 of 1996)

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**THE PUNJAB MINERALS (VESTING OF RIGHTS)
ACT, 1994**

(PUNJAB ACT NO. 9 OF 1996)

[Received the assent of the President of India on the 22nd October, 1996, and was first published for general information in *Punjab Government Gazette* (Extraordinary) Legislative Supplement dated the 12th December, 1996.]

An Act to vest the mineral rights in the State Government and to provide for payment of amount to the owners of minerals and for other matters connected therewith.

BE it enacted by the Legislature of the State of Punjab in the Forty-fifth Year of the Republic of India, as follows :—

1. This Act may be called the Punjab Minerals (Vesting of Rights) Act, 1994.

Short title.

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

Definitions.

(a) "Collector" means the Deputy Commissioner of a District and includes any officer appointed by the State Government to discharge all or any of the functions of a Collector under this Act ;

(b) "Minerals" means minerals and minor minerals as defined in clauses (a) and (e) respectively of section 3 of the Mines and Minerals (Regulation and Development) Act, 1957 (Central Act No. 67 of 1957) ;

(c) "land" means land whether assessed to land revenue or not and include river beds and the sites of buildings and other structures ;

(d) "person" shall include a local authority or company or association or body of individuals, whether incorporated or not ; and

(e) "prescribed" means prescribed by rules made under this Act.

3. (1) The State Government may, from time to time, by notification, acquire the right to the minerals in any land and notwithstanding anything contained in any law for the time being in force, from the date of the publication of the notification the right to the minerals in the land

Vesting of
minerals in State
Government.

¹For Statement of Objects and Reasons, see *Punjab Government Gazette* (Extraordinary) dated the 4th March, 1994, page 292.

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specified in the notification shall vest absolutely in the State Government and the State Government shall, subject to the provisions of the Mines and Minerals (Regulation and Development) Act, 1957 (Central Act No. 67 of 1957), have all the powers necessary for the proper enjoyment or disposal of such rights.

(2) If the State Government has assigned to any person its right to the minerals in any land, and if for the proper enjoyment of such right, it is necessary that all or any of the powers specified in sub-section (1) should be exercised, the Collector may, by an order, in writing, subject to such conditions and reservations as he may specify, delegate such powers to the person to whom the right has been assigned.

Explanation.—In this section and section 4, the expression “right to the minerals in any land” includes the right of access to the land for the purpose of prospecting and working mines and for the purposes subsidiary thereto including the sinking of pits and shafts, erection of plants and machinery, construction of roads, stacking of minerals and deposit of refuse, quarrying and obtaining building and road materials, using water and taking timber and any other purpose which the State Government may declare to be subsidiary to mining.

Payment of amount.

4. (1) On the vesting of the right to the minerals in any land under section 3, the person entitled to the right to the minerals in any land immediately before such vesting shall be paid annually, in the manner prescribed, an amount equal to ten per cent of the annual contract money or of royalty or dead rent, whichever is higher, payable to the State Government on minerals raised in a year, for a period of ten years with effect from such vesting :

Provided that if no contract or lease is given or the lessee does not raise the minerals for any period, no amount shall be paid for that period and the aforesaid period of ten years shall be deemed to have been extended by that period :

Provided further that the payment of the amount shall commence after the expiry of one year from the date of commencement of the period of contract or lease, as the case may be.

Explanation.—Where the State Government exploits the minerals itself, the royalty or dead rent, whichever is higher, shall be calculated as if the State Government is the lessee.

(2) The Collector shall announce in the manner prescribed an order specifying the person or persons to whom the amount shall be paid.

(3) If there is any dispute as to the person or persons who are entitled to the payment of amount, the Collector shall by an order decide the dispute and if he finds that more than one person is entitled to the amount he shall apportion the amount among such persons.

Reference to court.

5. (1) Any person who is not satisfied by the order of the Collector under section 4 may, by written application to the Collector, require that the matter be referred by the Collector for the determination of a principal

civil court of original jurisdiction, whether his objection be to the quantum of amount, the persons to whom it is payable, or to the apportionment of the amount among the persons entitled thereto.

(2) The application under sub-section (1) shall state the grounds on which the objection to the order of the Collector is taken :

Provided that every such application shall be made, —

- (a) if the person making it was present or represented before the Collector at the time when he passed his order, within six weeks from the date of the order of the Collector ; and
 - (b) in other cases, within six weeks from the date of communication of the order of the Collector.
- (3) In making the reference, the Collector shall state for the information of the principal civil court of original jurisdiction, in writing under his hand, such particulars as may be prescribed.
- (4) On receipt of a reference under sub-section (3), the principal civil court of original jurisdiction may decide the matter itself or by a written order direct any civil court subordinate to it to decide the same.

6. The provisions of the Code of Civil Procedure, 1908 shall apply to all proceedings before the civil court under this Act.

Code of Civil Procedure, 1908 to apply to proceedings before civil court.

7. An appeal shall lie to the principal civil court of original jurisdiction where the matter is decided by a civil court subordinate to it and to the High Court in other cases.

Appeals in proceedings before Civil Courts.

8. (1) The State Government may, by notification, make rules for carrying out the purposes of this Act.

Power to make rules.

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

- (a) the manner in which the money is to be paid under sub-section (1) of section 4 ;
- (b) the manner in which an order is to be announced by the Collector under sub-section (2) of section 4 ;
- (c) the particulars to be stated by the Collector while making a reference to a principal court of original jurisdiction under sub-section (3) of section 5 ; and
- (d) any other matter which is to be, or may be prescribed under this Act.

(3) Every rule made under this section shall be laid as soon as may be, after it is made, before the State Legislature while it is in session for a total period of ten days which may be comprised in one session or in two or more successive sessions and if, before the expiry of the session in which it is so laid or the successive sessions aforesaid, the House agrees in making any modification in the rule or the House agrees that the rules should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.