

# Mines and Minerals Rules, 2056 (1999)

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## Amendment

Mines and Minerals (First Amendment)

Rules, 2060 (2003)

2060.5.18 (4 Sept. 2003)

In exercise of the power conferred by Section 28 of Mines and Minerals Act, 2042 (1985), Government of Nepal has framed the following Rules:

## **Chapter-1**

### **Preliminary**

1. **Short Title and Commencement:** (1) These Rules shall be called "Mines and Minerals Rules, 1999 (2056)."  
(2) These Rules shall come into force immediately.
2. **Definitions:** Unless the subject or context otherwise requires, in this Rules:-
  - (a) "Act" means Mines and Minerals Act, 1985 (2042).
  - (b) "License" means a license issued pursuant to these Rules for prospecting and excavation of any minerals.
  - (c) "Mining Gate" means the main gate of mining area from where minerals are to be exported.
  - (d) "Specified Minerals" means any minerals for which the Department has issued a license to carryout mining operations having concluded a contract or any minerals as specified by Government of Nepal to carryout any mining operations by the Department or any other governmental agency only as specified by the Department.

- (e) “Committee” means Mines Development Committee constituted pursuant to Rule 35.
- (f) “Centre” means Minerals Development Centre established pursuant to Rule 39.

## Chapter-2

### Classes and Scales of Minerals and Qualifications of a Person

#### Desirous to carry out Mining Operations

- 3. **Classes of Minerals:** The minerals as specified in Schedule 1 shall be included within the classed of minerals referred to in Sub-section (1) of Section 3A of the Act.
- 4. **Scales of <sup>1</sup>the mining operations of Minerals:** (1) For the purpose of this Rules, <sup>2</sup>the mining operation of metallic and non-metallic minerals shall, on the basis of daily production, be divided into following Scales:-
  - (a) Very small Scale
  - (b) Small Scale
  - (c) Medium Scale
  - (d) Large Scale(2) The scales of <sup>3</sup>the mining operation of minerals as referred to in Sub-rule (1) shall be as prescribed in Schedule-2.
- 5. **<sup>4</sup>Qualifications of a Person Desirous to Obtain a License to Carry out the Mining Operations:** (1) The qualifications of a person desirous to obtain a license to carry out mining operations of very precious minerals shall be as follows:

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<sup>1</sup> Amended by the First Amendment.  
<sup>2</sup> Amended by the First Amended.  
<sup>3</sup> Amended by the First Amended.  
<sup>4</sup> Amended by the First Amended.

- (a) One who has Two years experience in concerned mining operations or one who has a capacity to employ a mining operation expert related thereto.
- (b) One who has financial capacity of Four Hundred Thousand Rupees per square kilometer of the mining area amongst the total mining area for prospecting operations and Three Million Rupees per square kilometer of the mining area amongst the total mining area for excavation.

(2) The qualifications of a person desirous to obtain a license to carry out mining operations of precious or valuable minerals shall be as follows:

- (a) One who has Two years experience in concerned mining operations or one who has a capacity to employ a mining operation expert related thereto.
- (b) One who has financial capacity of Two Hundred Thousand Rupees per square kilometer of the mining area amongst the total mining area for prospecting operations and Two Million Rupees of the mining area amongst the total mining area for excavation.

(3) The qualifications of a person desirous to obtain a license to carry out mining operations of ordinary minerals shall be as follows:

- (a) One who has One year experience in concerned mining operations or one who has a capacity to employ a mining operation expert related thereto.
- (b) One who has financial capacity of One Hundred Thousand Rupees per square kilometer of the mining area amongst the total mining area for prospecting

operations and One Million Rupees of the mining area amongst the total mining area for excavation.

(4) For the purpose of this Rule, a person who submits an application for deputing an expert for mining operation, shall submit confirmation letter of the expert mentioning with consent to provide necessary technical service for mining operation, copy of the expert registration certificate received by the expert and evidence of tax clearance of such expert.

(5) For the purpose of this Rule, the applicant shall submit, as an evidence of financial capacity, a evaluation document made by Village Development Committee or Municipality of the land, house or any other movable, immovable property of the applicant, or details or Bank deposit of the applicant or certified document which mention property price or amount of the movable, immovable property in the name of applicant which shows the financial capacity of the applicant.

### **Chapter - 3**

#### **Provisions Concerning Prospecting Operations**

6. **To Submit an Application for Prospecting License:** If a person desirous to prospect minerals quality and quantity of which have not been yet determined, shall have to apply to the Department in the format as specified in Schedule-3 along with a proposed scheme of prospecting operations.
7. **To Issue a Prospecting License:** (1) The Department shall, upon receiving the application pursuant to Rule 6, if it deems fit to issue a license to the applicant after making necessary inquiry, issue a license in a format as specified in Schedule-5 having charged the fees as referred to in Schedule-4.

<sup>5</sup>(2) The license pursuant to Sub-rule (1) shall be collected by the applicant him/herself or by his/her representative within Thirty days of the information provided by the Department to issue a license.

(3) In case of failure to obtain the license within the time limit referred to in Sub-rule (2), the license shall, *ipso facto*, be cancelled.

**8. Size and Area of Prospecting Operations:** (1) The Department may, for prospecting operations of any minerals, fix area of 0.25 square kilometer in minimum (approximately an one tenth part of one square mile) and 250 square kilometer in maximum (approximately Hundred square mile) in rectangular shape.

(2) The total length of the area fixed pursuant to Sub-rule (1) shall not exceed more than Four times of the total breadth.

**9. Provisions Concerning Period for Prospecting Operations and Extension of the Period:** <sup>6</sup>(1) The person who has obtained a prospecting license pursuant to Rule 7, shall complete the prospecting operations within a period of Four years in the case of prospecting of very precious minerals or precious and valuable minerals and within a period of Two years in the case of ordinary minerals.

(2) If it requires to extend time due to impossibility to complete the prospecting operations within the period as referred to in Sub-rule (1), the licensee shall have to apply to the Department for time extension before Three months of the expiry date of specified period, along with the progress report as specified in Schedule-6.

(3) If an application is received pursuant to Sub-rule (2), the Department may, if it deems fit to extend the period as per request after making necessary inquiry, extend a period of up to Two years but not extending One year at a time within One month from the date of application

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<sup>5</sup> Amended by the First Amended.

<sup>6</sup> Amended by the First Amended.

so received, having taken into account of the nature of the minerals, geological condition, prospecting technology and also the progress of prospecting operations upon charging an additional fees as specified in Schedule-4.

**10. Operation of Prospecting Operations:** (1) A person having obtained a license shall operate prospecting operations within a period of Ninety days from the date of license so obtained.

(2) In case of failure to operate prospecting operations within the period as referred to in Sub-rule (1) the Department may revoke the license of prospecting operations.

(3) Notwithstanding anything contained elsewhere in this Rule, if the person who has obtained a license for prospecting operations applies before expiry its date specifying special circumstances by virtue of which he/she has failed to operate the prospecting operations within the period referred to in Sub-rule (1), the Department may, if it deems fit after making necessary inquiry on the same, provide permission for operation of prospecting operations with the period of Ninety days from the date on which the specified time was expired.

**11. Conditions to be Followed in the course of Prospecting Operations:** The conditions to be followed by a person having obtained a prospecting license in the course of prospecting operations, shall be as follows:

- (a) To follow healthy system and apply diligent and efficient manner in carrying out prospecting operations.
- (b) Not to cause damage or loss to the house, land, trees, crops, things or other property located within the area specified in the prospecting license.

- (c) In case of tracing out any archeological matter in the course of prospecting operations, to keep such a matter safely and inform on the same to the concerned District Administration Office and also to the Department immediately.
- (d) To rehabilitate the prospecting area referred to in the license within Thirty days after completion of prospecting operations having maintained fence or wall as required in dig wells, slops, soil hips or soil covered land made in course of such operations.
- (e) To remove all the materials from the area referred to in the license within One Hundred and Eighty days from the completion of the period of prospecting operations
- (f) Not to sell any minerals traced at the time of performing prospecting operations.

**12. Relinquishment of Prospecting Area:**<sup>7</sup>(1) A licensee for prospecting operations shall not be allowed to relinquish the area referred to in the license for a period of Four years in the case of very precious minerals or precious and valuable minerals and for a period of Two years in the case of ordinary minerals.

(2) If a licensee for prospecting operations desire to relinquish some of the area out of the total area referred to in the license obtained by him, after completion of the period referred to in Sub-rule (1), he shall have to submit an application to the Department for relinquishment of the area having specified the same.

<sup>8</sup>(3) If an application pursuant to Sub-rule (2) is received, the Department may grant permission for relinquishment of 0.25 square kilometer in minimum in rectangular shape (*aayatkar*) (approximately an one tenth part of one square mile) area of the prospecting operations.

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<sup>7</sup> Amended by the First Amended.

<sup>8</sup> Amended by the First Amended.

**13. Facilities and Incentives to be Obtained in Prospecting**

**Operations:** A licensee for prospecting operations shall, while carrying out prospecting operations be entitled to the following incentives and facilities:

- (a) To scratch, dig, make whole or follow any appropriate method for prospecting of minerals within the area referred to in the license for prospecting operations.
- (b) To take abroad the samples of minerals traced in course of prospecting operations in quantity as permitted by the Department for the purpose of testing and analyzing the nature, quantity, value of the minerals in crude, semi-refined or refined form.
- (c) To use water having brought from the prospecting area or from the outside thereof for prospecting operations and for persons engaged in the prospecting operations, without causing adverse effect to the public-in-general.
- (d) To store (keep) machine, machinery equipment or others required materials for prospecting operations in the prospecting area and construct house, cot, shed to live the persons engaged in prospecting operations.

**Chapter-4**

**Provisions Concerning Excavation**

- 14. To Submit an Application for a Excavation License:**(1) If a person desires to carry out excavation of minerals quality and quantity of which have already been determined, he/she shall have to apply to the Department in the format as specified in Schedule-7 along with proposed scheme of excavation.



(2) Notwithstanding anything contained in Sub-rule (1), if a person holding a license of prospecting operations pursuant to Rule 7 desires to perform the excavation, he/she shall have to apply to the Department to obtain a license for mining opening operation in the format as specified in Schedule-7 along with a detailed prospecting report and proposed scheme of excavation before expiry of the period of prospecting operations.

**15. To Issue a License for Excavation:** (1) Upon receiving application pursuant to Rule 14, after making necessary inquiry if the Department deems fit on including the proposed scheme of excavation, it shall issue a license for excavation, in the format as specified in Schedule-8 to the applicant having charged fees as referred to in Schedule-4.

<sup>9</sup>(2) The license pursuant to Sub-rule (1) shall be collected by the applicant him/herself or by his/her representative within Thirty days of the information provided by the Department to issue a license.

(3) In the case of failure to obtain the license within the time limit referred to in Sub-rule (2) the license shall, *ipso facto* be cancelled.

**16. Size and Area for Excavation:** (1) The Department may, for excavation of minerals, fix an area of 0.25 square kilometer (approximately One Tenth of One square mile) in minimum and 25 square kilometer (approximately Ten square mile) in maximum in a rectangular size.

(2) The total length of the area fixed in accordance with Sub-rule (1) shall not exceed more than Four times of the total breadth.

**17. Provisions Concerning Period for Excavation and Extension of the Period:** (1) A licensee for excavation pursuant to Rule 15, shall

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<sup>9</sup> Amended by the First Amended.

have to complete the excavation of very small scale, small scale, medium scale and large scale, minerals within a period of Ten years, Fifteen years, Twenty years and Thirty years respectively.

Provided that, in the case of minerals of lime stone of cement grade the initial period for a very small scale and small scale shall be upto Fifteen years and Twenty years respectively.

(2) In case of necessity of extension of time due to impossibility to complete the excavation within the period as referred to Stab-rule (1), the licensee shall have to apply to the Department for extension of time in the format prescribed in Schedule-9 before Three months of the expiry date along with detail progress report of annual production.

(3) If an application is received pursuant to Sub-section (2), the Department may, if it deems fit to extend the period as requested, after making necessary inquiry, extend the period of One year, Two years, Five years and Ten years for a very small, small, medium and large scale <sup>10</sup>of excavations of minerals respectively within One month from the date of application so received having charged additional fees as referred to in Schedule-4.

<sup>11</sup>**17A. Relinquishment of Mining Area:** (1) A licensee who has obtained excavation license, may submit an application to relinquish area mentioned in the license not less than 0.25 square kilometer in rectangular (about Ten percent of One square kilometer) area obtained by him/her.

(2) If an application is received pursuant to Sub-rule (1), the Department upon making necessary inquiry and if deems appropriate, may provide approval of relinquishing.

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<sup>10</sup> Inserted by the First Amended.

<sup>11</sup> Inserted by the First Amended.

**18. Operation of Excavation:** (1) A licensee for mining opening operation shall carryout excavation within Six months from the date of license obtained by him/her.

(2) In case of failure to operate excavation within the period as specified in Sub-rule (1), the Department may revoke the license for excavation.

(3) Notwithstanding any things contained elsewhere in this Rule, if a licensee for mining opening operation applies before Thirty days of its expiry date specifying the reasons for failure to operate the excavation within the period as specified in Sub-rule (1), the Department may, if it deems the reasons to be reasonable after making necessary inquiry on the same, and on the basis of class of mineral, geological condition and opening technology and other matters extend the time for excavation for a period of Six months from the date on which the specified time was expired.

**19. Conditions to be Followed in Carrying-out Excavation:** The conditions which shall have to follow in the course of excavation by the licensee shall be as follows:

- (a) To conduct excavation or gyrations in a manner so that maximum utilization of minerals resources and preservation of mineral deposits are ensured.
- (b) To conduct excavation in a manner so that it causes minimum detrimental effect to the environment as far as possible and appropriate attention in environmental protection is given.
- (c) Not to perform excavation in the places allocated for the national and public interest and safety and within at least Fifty meters from an ancient monument, city, grave yard, crematorium, public way, dam, canal, pipeline, fort, army barrack, temple, mosque, church,

house, factory etc. and not to construct a house, factory an area.

- (d) To allow to use the tram line, rope way line, way and water dam constructed by him to the other license holder for excavation in the area near to the mining opening land in reasonable conditions.
- (e) To put necessary instrument of measurement of quantity of minerals in the place of collection and storing minerals.
- (f) Not to perform the excavation outside the boundary of ground level area referred to in the excavation license and if the boundary of Two or more than Two licenses are joined to perform the excavation having set aside Twenty Five meters outside the joining of such boundaries.
- (g) To maintain appropriate safety measure to avoid any accident in tunnel, hole, well etc. made in course of excavation of mines.
- (h) In case of any accident, death of any person or damage or loss or likely to cause damage or loss to the property of any person within the area referred to in the license at the time of excavation, inform immediately to the concerned District Administration Office and the Department.
- (i) The licensee shall present in person or his/her representative at the time of operation of excavation in the mining area for the purpose of supervision, control etc. of the same.
- (j) To establish an office in the mining area and to display the license in easily visible position at the office.
- (k) To maintain the boundaries of excavatopm area in his/her own cost.
- (l) In case of stopping or obstacle paused for a period of more than one month in the excavation by the reason of occurrence of force majeure situation to inform Department on the same.
- (m) In the case of the expiry time period for mining operations or

cancellation of the license of excavation, to stop the mining operations within Six months and remove all materials and appropriately rehabilitate the area by covering the holes etc. and having fenced or walled wholly in the digged and sliding area, if so required.

**20. Facilities and Incentives to be obtained in Excavation :** A licensee for excavation shall be entitled to the following facilities and incentives in the case of excavation:

- (a) To perform any kind of excavation for digging out minerals.
- (b) To process, purify, refine, store, transport sell and export the minerals, having digged out them.
- (c) To import machine, tools, equipment etc. required for excavation.
- (d) To carry out any type of construction works required for mining opening of minerals and digging out stone, soil, sand, gravel etc. from the mining operation area required for such construction works.

**21. To Pay Royalty:** (1) A licensee of the excavation shall have to pay royalty as referred to in Schedule-10 for each time of export of the minerals from the mining gate on the basis of the quantity of such exported minerals.

<sup>12</sup>(2) A licensee for excavation shall submit royalty to be paid pursuant to Sub-rule (1) , deposit in the revenue account in the name of Department within Seven days of the expiry of each month and monthly production details and revenue deposit voucher within Fifteen days to the Department.

<sup>13</sup>(3) If a licensee for excavation does not pay royalty within the prescribed period pursuant to Sub-rule (2), he/she shall submit additional

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<sup>12</sup> Amended by the First Amended.

<sup>13</sup> Inserted by the First Amended.

Ten percent of the royalty upto Three months of the expiry of period additional Twenty percent upto Six months and additional Thirty percent upto One year.

22. **Local Development Fee**: A licensee for excavation shall, in exporting minerals from the mining gate, have to pay local development fee at the rate of one tenth of the royalty fixed in accordance with Rule 21 in each time on the basis of the quantity of minerals so exported to the District Development Committee or any other agency prescribed by the said Committee.
23. **Deposit Amount to Pay**: A licensee for excavation shall, in course of excavation, have to pay the deposit amount referred to in Schedule-4.

## Chapter -5

### **Provisions Relating to Specified Minerals**

24. **To Invite a Proposal for Mining Operations Contract of Specified Minerals having Published a Notice**: (1) The Department shall, for the purpose of granting a license for mining operations having concluded a contract on specified minerals pursuant to Sub-section (3) of Section 5 of the Act, invite proposal having given at least Sixty days time and having published a notice thereof in the newspapers of national level along with necessary details thereof.
- (2) A notice for invitation of a proposal to be published pursuant to Sub-rule (1) shall specify, *inter alia*, the following matters:
- (a) The mining area invited for mining operations,
  - (b) Basic notice and information about the specified minerals made available,
  - (c) Basic information about physical infrastructures

made available,

- (d) Charge for proposals,
- (e) Other necessary matters.

(3) The Department shall if it desires to change the amount or to subscribe equivalent shares of costs incurred for prospecting operations having estimated direct expense thereof, also be specified in a notice of invitation for proposals to be published pursuant to Sub-rule (1).

**25. Matters to be Specified by an offerer:** (1) The interested person shall submit his/her proposal to the Department within the period as prescribed in an invitation for proposal pursuant to Rule 24, having specified the following details:

- (a) A proof that the offerer has the capital, machinery, equipment and expertise or capacity to manage the expertise required for mining operations,
- (b) Method of explorative development and feasibility study as well as method of implementing mining scheme and time schedule thereto,
- (c) Minimum programme to be carried out in different phases of the mining operation period.

**26. Evaluation of the Proposal:** (1) The Department shall, after receiving proposals pursuant to Rule 25, evaluate the proposals on the following bases:

- (a) Financial capacity of the offerer,
- (b) Whether or not the offerer has the qualifications pursuant to Rule 5,
- (c) Experience of the offerer in the field of sale and distribution of the minerals,
- (d) Proposed minimum works and expenses to be carried

out during the period of explorative development and feasibility study,

(e) Other relevant matters.

(2) The Department may ask further detail or information from any offered in the course of evaluation of the proposals.

27. **Negotiations**: The Department may, after evaluation of the proposals pursuant to Rule 26, negotiate with the offerer, if it so desires.

28. **To Conclude a Contract by Accepting Proposal and to Issue a License**: (1) On the basis of evaluation of the proposals pursuant to Rule 26 and negotiations concluded with offerer pursuant to Rule 27, if the Department deems appropriate to accept the proposal, it may conclude a contract with the offerer by accepting the proposal and shall issue a license for mining operations of specified minerals.

(2) The Department may, after concluding a contract pursuant to Sub-rule (1), grant a license in the format as prescribed in Schedule-11 for mining operations of the specified 11 minerals to the party concluding a contract.

(3) The Department may, while granting a license by concluding a contract pursuant to Sub-rules (1) and (2), include special conditions like renewal of a license, size and territory of mining area, period of prospecting and excavation, operation of mining and it may also provide special facilities to a party concluding a contract.

(4) The Department may, while granting a license for mining operations by concluding a contract pursuant to Sub-rules (1) and (2), include a condition of taking royalty and local development fee including other fee or amount pursuant to these Rules from the contractor and it may conclude the contract.



**29. Matters to be Mentioned in the contract:** While concluding a contract pursuant to Rule 28, such a contract shall include *inter alia*, the following matters:

- (a) Objectives of the contract,
- (b) Period of mining operations and provision for extension of the period,
- (c) Possibility of relinquishment of the mining area, if any, in different phases,
- (d) Liability at the time of relinquishment of mining area,
- (e) Works and liabilities of the parties to the contract,
- (f) Provision concerning performance guarantee,
- (g) Budget programme of mining operations in different phases and amendment of limitation,
- (h) Prospecting operation and results thereof,
- (i) Period of minerals production and extension of the period,
- (j) Environmental protection, projection of minerals and protection of life and property,
- (k) Provision concerning measurement of produced minerals,
- (l) Matter to submit a report on mining operations,
- (m) Provision concerning operation and continuation of mining operations,
- (n) Provision concerning security of labours,
- (o) Sale and domestic supply of minerals,
- (p) Provision concerning employee and training,
- (q) Provision concerning procurement of materials,
- (r) Provision concerning utilization of land and government assistant,
- (s) Operation of mining in the joint venture, if any,

- (t) Provision concerning joint review of performance in accordance with the contract,
- (u) Provision concerning partnership and transfer,
- (v) Provision concerning postponement and cancellation of mining operations,
- (w) Provision concerning dispute resolution,
- (x) Law applicable in the course of mining operation,
- (y) Matters to be included in case of situation of *force majeure*,
- (z) Other matters as the Department deems necessary.

**30. Government of Nepal may Specify Mining Operations of the**

**Specified Minerals:** Notwithstanding any thing contained elsewhere in this chapter, Government of Nepal may specify that mining operations of any specified minerals may be operated only by the Department of other governmental agencies, as the case may be, pursuant to Sub-section (3) of Section 12 of the Act.

**Chapter-6**

**Mineral Deposits and Environment Protection**

**31. Protection of Mineral Deposits:** (1) A licensee shall conduct mining operations in such a manner so that it shall cause minimum effect on the land and maximum recovery of mineral deposits.

(2) A licensee for mining operations shall give emphasis on producing highly valuable minerals as far as possible.

(3) A licensee for mining operations shall, while carrying out it, have to utilize maximum of by production produced by the said operation and minimize the waste.

**32. Significant Adverse Effect on the Environment shall be Deemed:**

The following effects caused on the environment in the course of mining

operation by the operator of mining shall, for the purpose of Section 11A. of Act, be deemed to have been made significant adverse effect on the environment:

- (a) Possibility of dislocation in the use of land and land surface in the course of development of mines and basic structure,
- (b) Possibility of deforestation and disappearance of wildlife,
- (c) Possibility of water pollution due to the water flowed from the mine and from the dirty liquid wastage produced in the course of ore processing,
- (d) Possibility of air pollution due to smoke and dust,
- (e) Possibility of sound pollution and vibration due to drilling, blasting and use of heavy machines,
- (f) Possibility of problems of soil wastage due to over burden trilling,
- (g) Possibility of problems such as lands erosion, landslide, floating of sloppy land, floating of soil and blockage of way that might be produced,
- (h) Possibility of diverting water flow and causing inconvenience in water utilization,
- (i) Possibility of damage to the cultural, archeological spots and vegetation garden.

**33. Protective Measures to follow in Respect to Environmental**

**Protection:** A person carrying out mining operations shall, in respect to environmental protection, have to follow the following measures:

- (a) To carryout mining operation in a manner so that it shall cause less effects on the surface and ground water situated in the surrounding of mining area,
- (b) To manage appropriate siltation of wastes, pond and drainage for water flow,
- (c) To use affluent treatment measure, as per necessity,

- (d) To follow minimum pollution emitting methods, as far as possible, in the sources of mine where poisonous gas and maximum dust are produced,
- (e) To cause to use gas filter and dust mask to the labours working in mines producing poisonous gas and maximum dust,
- (f) To use minimum sound producing explosive goods or machinery in the mining operation, as far as possible,
- (g) To use silencer as an alternative available to explosive goods,
- (h) To collect the waste produced in the course of mining operation in an appropriate place and make walling, fencing and plantation around it,
- (i) In case of removing topsoil in the course of mining operation, to store it separately in an appropriate place,
- (j) After completion of mining operations to rehabilitate the topsoil and to make plantation therein,
- (k) To follow required safety measures where hazardous substance are used or where possibility of hazardous situation might be occurred in the course of mining operation,
- (l) To carryout mining operation in a manner so that it may cause minimum adverse effect to the flora and fauna,
- (m) To carryout mining operation in a manner so that it cause minimum adverse effect to the natural beauty and cultural heritage.

## **Chapter-7**

### **Special Provisions for Ordinary Construction**

#### **Oriented Minerals**

- 34. To Submit an Application for license for the Ordinary Construction Oriented Minerals:** (1) A person desiring to carryout mining operation of ordinary construction related minerals such as soil,

stone and sand shall have to apply to the concerned District Development Committee in the format as prescribed in Schedule-12 to obtain a license for the same pursuant to Sub-section (4) of Section 12 of the Act, having caused no adverse effect on the customary practice of such minerals for personal use by the public-in-general.

(2) The District Development Committee shall, after receiving application pursuant to Sub-rule (1), forward it to the committee constituted pursuant to Rule 35 to inquire and recommend whether to issue or not a license for the mining of the ordinary construction related pursuant to the request of the applicant.

**35. Constitution of the Mines Development Committee:** (1) In order to recommend to issue a license for mining operations of ordinary construction related minerals there shall be a Mines Development Committee in each District constituted as follows:

- (a) Local Development Officer - Coordinator
- (b) A representative, District Development Committee - Member
- (c) A representative (officer level), District Administration Office - Member
- (d) A representative (officer level), District Forest Office - Member
- (e) A representative (officer level), District Road office - Member
- (f) A representative (officer level), District Soil Conservation Office - Member
- (g) A representative (officer level), Housing and Urban Development Office - Member

- (h) Chief of District Survey Section  
or, Surveyor as Designated by  
him - Member
- <sup>14</sup>(i) Officer level representative of the  
Department of Mines and  
Geology for the Districts of  
Kathmandu Valley and Officer  
level representative of the Office  
of Cottage and Small Scale  
Industries for the District or  
Officer level representative of  
Cottage and Small Scale  
Industries Development  
Committee where the Office of  
Cottage and Small Scale  
Industries is not in function - Member
- <sup>15</sup>(j) Planning and Administrative  
Officer, District Development  
Committee -Member-secretary

(2) The Committee shall fix its procedure of meeting by itself.

- 36. Approval shall be Taken:** (1) The Committee shall, after making necessary inquiry to the application received pursuant to Sub-rule (2) of Rule 34, if it thinks fit to grant a license for mining operation of ordinary construction related minerals as per the request of the applicant, shall recommend to the District Development Committee to that effect.

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<sup>14</sup> Amended by the First Amended.

<sup>15</sup> Inserted by the First Amended.

(2) The District development Committee shall, after receiving the recommendation from the Committee pursuant to Sub-rule (1), forward it for the approval of the Department before issuing a license for mining operation requesting whether a license as per request of the applicant is to issue or not having specified the details of area of mining, method of the excavation of mines, area and name of minerals.

(3) The Department shall, within a period of Six months from the date on which such a letter for approval is received pursuant to Sub-rule (1), decide on the subject matter of the same specifying as to in what manner , how and subject to what conditions such a license shall be issued.

Provided that, a license shall not be issued if the Department decides not to issue a license.

(4) Notwithstanding anything contained in Sub-rule (2), if the area recommended for mining operation falls within forest area the District Development Committee shall have to receive an approval of the Ministry of Forest and Soil Conservation before obtaining approval of the Department.

**37. To issue a License for Ordinary Constructed Oriented Minerals:**

(1) The District Development Committee shall, if an approval is received pursuant to Rule 36 issue a license for mining operations of ordinary construction related minerals to the applicant in the format as prescribed in Schedule-13 having charged fees referred to in Schedule-4.

(2) The District Development Committee shall forward the information along with a voucher to the Department having deposited an amount at the rate of Twenty percent of the income received by it in the revenue account of the Department for a license issued pursuant to Sub-rule (1).

(3) A licensee for the ordinary construction related minerals shall have to renew the license from the District Development Committee pursuant to Rule 42.

Provided that, in the case of non-renewal by the District Development Committee without reasonable grounds, the concerned person may apply to the Department for it and the Department may renew after making necessary inquiry on it.

**38. To Monitor:** (1) The District Development Committee shall monitor on whether the licensee for mining operation of ordinary construction related minerals has, while operating mines, been abided by Act and these Rules or other laws in force. The District Development Committee may, in such monitoring, issue necessary order to the licensee, suspend the mining operations and revoke the license for mining operation of ordinary construction related minerals, as the case may be.

(2) Notwithstanding anything contained in Sub-rule (1), the District Development Committee shall, in suspending mining operation or revoking a license for mining operation of ordinary construction related minerals, recommendations of the Committee and the Department have to obtain.

(3) In case of failure to follow the terms and conditions specified by the Department in granting approval on the issuance of a license, the Department may issue appropriate order to the District Development Committee to suspend mining operation or revoke the license.



## Chapter-8

### **Provision Concerning Establishment and Functions,**

#### **Duties and Powers of the Centre**

39. **Establishment of the Minerals Development Centre:** Government of Nepal may, in order to develop mining and minerals resources and to operate mining operations that may be supportive the mining operations establish a Minerals Development Centre.
40. **Functions, Duties and Power of the Centre:** The functions, duties and powers of the Centre shall be as follows:
- (a) To formulate national mining policy,
  - (b) To frame and implement and cause to implement mineral protection, promotion and development programmes,
  - (c) To perform necessary works for resolving problems arising in mining industry,
  - (d) To conduct or caused to conduct other promotional programmes on minerals,
  - (e) To perform other necessary functions.
41. **Special Committee may be constituted by the Centre:** (1) The Centre may, in order to carryout certain functions relating to the development and promotion of minerals, constitute a special committee.
- (2) The function, duty, power and procedure of the committee to be constituted pursuant to Sub-rule (1) shall be as specified by the Centre.

## Chapter-9

### Miscellaneous

**42. Renewal of a License:** (1) A licensee shall have to renew the license obtained by him/her for mining operations within a period of Three months from the date of expiry of every fiscal year.

<sup>16</sup>(2) In order to renew the license pursuant to Sub-rule (1), one shall submit an application to the District Development Committee in the case of ordinary construction related minerals license and to the Department in the case of other license.

(3) If an application is received pursuant to Sub-rule (2), the Department <sup>17</sup>and to the District Development Committee in the case of ordinary construction related minerals shall, after making necessary inquiry, renew the license as per the request of the applicant having charged the renewal fee as referred to in Schedule-4.

(4) <sup>18</sup> .....

**43. Circumstances on Which a License is to Revoke:** A license shall be revoked on the following circumstances:

- (a) If a licensee submits an application to revoke the license,
- (b) If a license issued in accordance with the Rule 7 or 15 is not received by the applicant him/herself or his/her representative within a period of Thirty days,
- (c) If a license is not renewed pursuant to Rule 42,
- (d) If any acts are done having caused adverse effect on public interest or national security or environment,

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<sup>16</sup> Amended by the First Amended.

<sup>17</sup> Inserted by the First Amended.

<sup>18</sup> Deleted by the First Amended.

- <sup>19</sup>(d1) If prescribed royalty, fees, amount, land rent etc. is not paid within the prescribed time limit to the prescribed institution.
- <sup>20</sup>(d2) If details, report, notice etc. to be submitted to the Department pursuant to these Rules, is not submitted within prescribed time limit.
- (e) If the conditions prescribed pursuant to these Rules are not followed.

**44. If any Other Minerals are invented to Obtain another License: (1)**

A licensee for prospecting operations or excavation shall, in order to carryout the mining operations referred to in the license, inform the Department within a period of Thirty days, if any minerals other than those specified in the license are found and he/she shall be issued a license for mining operation of such minerals on the priority basis.

(2) If the licensee who has found any minerals other than those specified in the license pursuant to Sub-rule (1), desires to operate mining operations of such newly invented minerals, he/she shall have to obtain a license for prospecting or excavation within a period of Thirty days from the date of information so submitted having followed the procedure as laid down in Rules 6,7,14 and 15, as per necessity.

(3) Notwithstanding anything contained in the Sub-rule (2), a licensee shall not be issued a license for mining operation of such minerals in the following circumstances:

- (a) if information is not given within a period of thirty days from the date of finding of the minerals.

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<sup>19</sup> Inserted by the First Amended.

<sup>20</sup> Inserted by the First Amended.

(b) If a licensee expresses his/her unwillingness to carryout mining operation.

(4) If a person to whom priority has been given pursuant to Sub-rule (1) does not obtain a license for such minerals, the Department may issue a license for such mining operations to any other person.

**45. Statement, Information and Report:** (1) A licensee shall have to submit the progress report of prospecting operations to the Department in the format as prescribed in Schedule-6 in every Five months.

(2) A licensee shall have to submit a statement of annual production process report of the mining operation to the Department within a period of three months from the date of completion of each fiscal year.

(3) A licensee shall have to submit a detail statement or a report as follows to the Department within a period of Three months from the date of completion of each fiscal year:

- a) The details concerning minerals reserved and shall deposit of minerals.
- b) The details concerning production and sell of minerals.
- c) The details concerning machinery and instrument
- d) The details concerning employees and works
- e) The details concerning costs, income and expenditure for various mining operations.
- f) Other necessary details and report.

(4) A licensee shall, in course of mining operation, if causes damage or feels that there exists possibility of damage to the public property, have to notify along with full details to the Department through the prompt means having taken required measures for the protection thereof.

**46. To Pay Land Rent:** (1) If the land of the mining area referred to the license for mining operation is owned by Government of Nepal, the licensee shall have to pay land rent to Government of Nepal as prescribed in Schedule-14.

<sup>21</sup>(2) A person who desires excavation license, shall submit an application along with written agreement between applicant and the landowner regarding to lease of Land to the District Development Committee in case of ordinary construction minerals and to the Department in case of the minerals, if the land as referred to in proposed planning of the excavation is owned by the private person.

(3) The licensee shall have to pay the amount as mentioned in the agreement concluded pursuant to Sub-rule (2) to the land-owner as land rent.

**47. To Sell other Minerals or By-production:** (1) The licensee shall have to obtain prior approval of the Department for selling of the minerals or by-production other than those referred to in the license.

(2) While selling of other minerals or by production having obtained prior approval of the Department pursuant to Sub-rule (1), one shall have to deposit the royalty as prescribed pursuant to Rule 21.

**48. Restriction on Mineral Exports:** (1) Government of Nepal may issue necessary order for restriction on export of any minerals with a view to the national security or supply of internal demand.

(2) Notwithstanding anything contained in the Sub-rule (1), the licensee may export the minerals opened by him having obtained prior-approval if the Department for the following purposes:

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<sup>21</sup> Amended by the First Amended.

- (a) To determine or to analyze the quality of minerals,
- (b) To send sample for market study of the minerals.

**49. The Department may Grant Approval:** The Department may grant an approval to export stone, soil, sand, rock, fossils in abroad collected by any person in the course of geological survey and mining exploration of Nepal, for laboratory analysis and exploration works. <sup>22</sup>The Department shall levy fees for export as referred to in Chapter (c) of Schedule 4 for such approval.

**50. Procedure Concerning Inspection and Inquiry:** (1) The Department may designate any mining engineer, geologist or an expert of related subject as mining inspector in order to inquire on situation of any mine and whether mining operations is carried out in accordance with the prevailing laws, Rules, orders and directions rights, subject to the laws and Rules in force:

- (a) To enter into any mining area alone or along with government employee, representatives of local authorities or police as required.
- (b) To inquire on the plant, machine etc. located in the mining area or to take sample of minerals of any condition or any other goods produced from mining area or to take them on custody or to stop for selling or transportation of any minerals.
- (c) To issue an order for submission or possess of documents, registers, account books, books if records or any other necessary documents related with mining operations which are holding by the licensee or having in his authority or to take them in his custody or to

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<sup>22</sup> Inserted by the First Amended.

take them as sealed so that they shall not be taken elsewhere.

- (d) To inquire with or make written statement from the licensee, worker or employee related with the mining as the mining inspector desires to inquire.

(3) If any minerals or any other goods as referred to in clause (b) or (c) of Sub- rule (2) are taken on custody of stopped, the mining Inspector shall have to inform the concerned person and t submit a report thereof to the Department.

(4) The Department may decide after making inquiry and give necessary order on the report submitted by the mining inspector pursuant to Sub- rule (3).

- 51. Survey and Map of the Mining Area:** The geological, topographical, mining etc. survey and mapping in the mining area shall be as fixed by the Department on the basis of nature of minerals, geological conditions and mine opening technology etc.
- 52. Arbitration Procedures:** In case any dispute arisen between Government of Nepal and licensee in respect to any matter concerning mining operations cannot be resolved by mutual consultation between the parties pursuant to Section 26 of the Act, such a dispute shall be resolved by the procedure as prescribed in the contract, such a dispute shall be resolved by the arbitration according to the law of arbitration in force.
- 53. Procedure and Method:** The procedure and method to be followed by a licensee in the course of mining operations shall be as specified by the Department in the license depending upon the nature of mining operations.

<sup>23</sup>**53A. Transfer of License:** (1) A licensee shall not transfer his/her license in the name of any other person without an approval of the Department.

(2) If a licensee desires to transfer his/her license to any other person, he/she shall submit an application to the Department along with the qualification of the person who desires to obtain license pursuant to Rule 5.

(3) If an application is received pursuant to Sub-rule (2), upon making necessary inquiry whether the qualification of the concerned person as referred to in Rule 5 meets or not, the Department shall decide within Thirty days of the receiving an application whether or not to transfer license.

(4) If it deems appropriate to issue a license to a person who desire to obtain license pursuant to Sub-rule (3) is qualified as referred to in Rule 5, the Department shall transfer the license by levying transfer fees as referred to in Schedule 4.

(5) If a heir submits an application that licensee has died or he/she is unable to perform as per terms and conditions as prescribed in license at the time of issuance or Act or these Rules along with the evidence that he/she is the nearest heir, upon making necessary inquiry, the Department deems that the applicant is qualified as referred to in Rule 5, shall transfer the license by levying transfer fees as referred to in Schedule 4.

(6) If any case is filed regarding heir of the licensee upon making necessary inquiry to transfer the license pursuant to Sub-rule (5), the license shall not be transferred to any person until such a case is decided.

<sup>24</sup>**53B. To be Deposited:** A licensee who has mining operation license shall deposit an amount as referred to Schedule 4 to perform mining operation.

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<sup>23</sup> Inserted by the First Amended.

<sup>24</sup> Inserted by the First Amended.



- 54. Accounts and Record of Mining Operations:** The accounts and records of the minerals to be maintained by a licensee shall be as fixed by the Department.
- 55. Schedule May be Altered or Modified:** Government of Nepal may alter or modify the Schedule as per necessity by a Notification published in the Nepal Gazette.
- 56. Repeal and Saving:** (1) The following Rules are, hereby, repealed:
- (a) Mineral (Amendment and Consolidation) Rules, 2018 (1961),
  - (b) Gas Oil (Contract) Rules, 2015 (1958),
  - (c) Gas (Protection) Rules, 2017 (1960).
- (2) Acts done pursuant to Minerals (Amendment and Consolidation) Rules, 2018 (1961), Gas Oil (Contract) Rules, 2015 (1958) Gas (Protection) Rules, 2017 (1960) before the commencement of these Rules shall be deemed to have been done pursuant to these Rules.

## 25 Schedule-1

(Relating to Rule-3)

### Classification of Minerals

1. On the basis of the nature of the minerals, minerals are classified as follows:

(a) **Metallic Minerals:** The following materials shall be classified under the metallic minerals:

1. Gold	2. Uranium	3. Platinum	4. Thorium
5. Zinc	6. Silver	7. Lead	8. Copper
9. Nickel	10. Cobalt	11. Tin	12. Tungsten
13. Molybdenum	14. Beryllium	15. Niobium	16. Tantalum
17. Chromium	18. Vanadium	19. Bismuth	20. Titanium
21. Aluminum	22. Iron	23. Other minerals which is not classified as Non-metallic minerals	

(b) **Non-metallic Minerals:** The following minerals shall be classified as the non-metallic minerals:

1. Diamond	2. Ruby	3. Sapphire	4. Emerald
5. Corundum	6. Topaz	7. Tourmaline	8) Garnet
9. Aquamarine	10. Kainite	11. Beryl	12. Magnetite
13. Talc	14. Natural (biogenic) Gas	15. Lime-stone	16. Phosphate ore
17. Crystal Quartz	18. Feldspar	19. Calcite	20. Dolomite
21. <i>Shaligram</i> and other fossils	22. Graphite	23. Gypsum	24. Salt
25. Orche	26. Industrial Soil	27. Ordinary Soil	28. Fire Clay
29. Silica Sand	30. Kaolin	31. <i>Abhrakh</i>	32. Coal
33. Peat	34. Marble	35. Granite	36. Snide
37. Amphibolites	38. Quartzite	39. General construction stone, Sand, gravel and slate	40. Decorative Stone

<sup>25</sup> Amended by the First Amended.

2. On the basis of the importance of the minerals, minerals are classified as follows:

(a) **Very Precious Minerals**

1. Gold	2. Uranium	3. Lyatium
4. Thorium	5. Diamond.	6. Ruby
7. Sapphire	8. Emerald	9. Corundum

(b) **Precious and Valuable Mineral**

1. Zinc	2. Silver	3. Lead	4. Copper	5. Nickel
6. Cobalt	7. Tin	8. Tungsten	9. Molybdenum	10. Beryllium
11. Niobium	12. Tantalum	13. Chromium	14. Vanadium	15. Bismuth
16. Titanium	17. Topaz	18. Tourmaline	19. Garnet	20. Aquamarine
21. Kainite	22. Beryl	23. Magnetite	24. Talc	25. Natural (biogenic) Gas
26. Limestone	27. Phosphate	28. Crystal Quartz	29. Feldspar	30. Calcite
31. Dolomite	32. <i>Shaligram</i> and other fossils		33. Graphite	34. Gypsum

(c) **Ordinary Minerals**

1. Aluminum	2. Iron	3. Salt	4. Orche
5. Industrial Soil	6. Ordinary Soil	7. Fire Clay	8. Silica Sand
9. Kaolin	11. <i>Abhrakh</i>	12. Coal	13. Peat
14. Marble	15. Granite	16. Snide	17. Amphibolites
18. Quartzite	19. General Construction Stone, Sand, gravel and slate		20. Decorative Stone
21. Other minerals which is not classified as Very precious and Precious and Valuable minerals			

Note bene: The minerals are not classified in this Schedule shall be as prescribed by the Department.

## 26 Schedule-2

(Relating to Sub-rule (2) of Rule 4)

### Scales of Minerals

(a) **Scales of metallic minerals :** The scales of the metallic minerals shall be as follows:

Methods of Excavation	Very small scale	Small scale	Medium scale	Large scale
a) Land Excavation	Up to 10 tons	Upto 100 tons	Up to 500 tons	Above than 500 tons
b) Surface Excavation	Up to 25 tons	Upto 250 tons	Up to 1000 tons	Above than 1000 tons

(b) **Scale of Non-metallic Minerals:** The scales of the non-metallic minerals shall be as follows:

Minerals	Very small scale	Small scale	Medium scale	Large scale
1. Decorative Stone	Upto 3 Cubic meter	Upto 15 Cubic meter	Upto 60 Cubic meter	Above than 60 Cubic meter
2. Soil	Upto 25 Cubic meter	Upto 100 Cubic meter	Upto 400 Cubic meter	Above than 400 Cubic meter
3. General Construction Stone				
3.1 Stone	Upto 25 Cubic meter	Upto 150 Cubic meter	Upto 500 Cubic meter	Above than 500 Cubic meter
3.2 Sediment rock	Upto 50 Cubic meter	Upto 600 Cubic meter	Up to 2400 Cubic meter	Above than 2400 Cubic meter
3.3 Aggregate	Upto 20 Cubic meter	Upto 100 Cubic meter	Up to 400 Cubic meter	Above than 400 Cubic meter
4. Sand and gravel	Upto 50	Upto 200	Up to 800	Above than

<sup>26</sup> Amended by the First Amended.

	Cubic meter	Cubic meter	Cubic meter	800 Cubic meter
5. Natural (Biogenic) Gas	Upto 100 Cubic meter	Upto 10000 Cubic meter	Upto 50000 Cubic meter	Above than 5000 Cubic meter
6 Non-metallic minerals				
(a) Land Excavation	Upto 10 Tons	Upto 100 Tons	Upto 500 Tons	Above than 500 Tons
(b) Surface Excavation	Upto 20 Tons	Upto 200 Tons	Upto 1000 Tons	Above than 1000 Tons

NEPAL LAW COMMISSION

## Schedule-3

(Relating to Rule 6)

### Application for a License of Prospecting Operations

The Director General,  
Department of Mines & Geology,  
Lainchour, Kathmandu

Dear Sir/Madam,

I/We hereby applied for a license for prospecting operations pursuant to Mines and Minerals Act, 1985 (2042) and Mines and Minerals Rules, 1999 (2056) with following details.

1. Name of the person: Occupation:  
Postal Address:  
Telephone: Fax No.:
2. Corporate body's, firm's and company's:  
Name: Telex:  
Postal Address: Fax No.:  
Telephone No. Registered date and number:  
Office where registered  
Chief official:
3. Intended minerals to perform prospecting operations:
4. Time duration demanded for prospecting operations:

5. Four sides (boundaries) description of the demanded prospecting area and scale map:  
.....Zone.....District.....  
.Municipality and Village Development Committee (VDC).....  
Place .....Topo Sit No.....  
Main sign.....East from.....meter  
West from..... meter North from .....  
Meter South from.....meter total.....  
Square km.
6. Details of the land for utilization of demanded area for prospecting operations:  
(a) Village settlement:  
(b) Forest:  
(c) River, Stream, bridge, road, public place etc:  
(d) Type of land: cultivated/ uncultivated/ governmental/public:  
(e) Whether there exists prospecting or mining operations or there has been existing prospecting or opening mining operation within the area demanded for prospecting operations:  
(f) If there exists prospecting or mining area near by the demanded area, details thereof:
7. Provision of Technicians:  
1) If applicant himself  
a) Professional qualifications and training:  
b) Experience:

- 2) Other, if any,
  - a) Name and address:
  - b) Professional qualification and training:
  - c) Experience:

Applicant's:

Signature:

Name:

Date:

**Attached documents:**

1. Proof of professional qualification and training certificate
2. Experience
3. Citizenship and company's, firm's and corporate body's certificate
4. Work's scheme



## 27 Schedule-4

(Relating to Sub-rule (1) of Rule 7, Sub-rule (3) of Rule 9, Sub-rule (1) of Rule 15, Sub-rule (3) of Rule 17, Rule 23 and Sub-rule (3) of Rule 42)

### Fees and Deposit Amount

### Fees and Deposit Amount

**a) For Prospecting Operations:**

Description	Very precious minerals	Precious and valuable minerals	General minerals
1. License fee	Rs.15,000/-	Rs.10,000/-	Rs.5,000/-
2. Renewal fee	Rs.7,500/-	Rs.5,000/-	Rs.2,500/-
3. Extension of period fee	Rs. 30,000	Rs.20,000/-	10,000/-
4. Transfer fee	Rs. 30,000	Rs.20,000/-	10,000/-
5. License copy fee	Rs. 200/-	Rs. 200/-	Rs. 200/-

**b) For Opening of Mining Operation:**

Description	Very small scale	Small scale	Medium scale	Large scale
1. License fee	Rs.10,000/-	Rs.20,000/-	Rs.30,000/-	Rs.40,000/-
2. Renewal fee	Rs.5,000/-	Rs.10,000/-	Rs.15,000/-	Rs.20,000/-
3. Extension of period fee	Rs.20,000/-	Rs.40,000/-	Rs.60,000/-	Rs.80,000/-
4. Transfer fee	Rs.20,000/-	Rs.40,000/-	Rs.60,000/-	Rs.80,000/-
5. License copy fee	Rs.500/-	Rs.500/-	Rs.500/-	Rs.500/-

**c) For Export:**

Export fee One Thousand Rupees or royalty as prescribed in Schedule 10.

<sup>27</sup> Amended by the First Amended.

c) **Deposit**

**1) For Prospecting Operation**

Very precious minerals	Precious and valuable minerals	General minerals
Rs.30,000/-	Rs.20,000/-	Rs.10,000/-

**2) For Opening of Mining Operation**

Very small scale	Small scale	Medium scale	Large scale
Rs.20,000/-	Rs.40,000/-	Rs.60,000/-	Rs.80,000/-

NEPAL LAW COMMISSION

## Schedule- 5

(Relating to Sub-rule (1) of Rule 7)

Government of Nepal of Nepal

Ministry of Industries

Department of Mines and Geology

### License for Prospecting Operations

License No.:

Date:

This License has been issued to Mr./Mrs./Ms....., a resident of

..... Zone ..... District

..... Municipality / Village Development Committee

(VDC) Ward No. .... for carrying out prospecting operations of

..... minerals within the following area from the date of

..... to .....subject to its renewals in every year, in

accordance with Mines and Minerals Act, 1985 (2042) and Mines and Minerals Rule, 1999 (2056).

### Details of Prospecting Area:

..... Zone ..... District .....

Municipality and Village Development Committee (VDC) ..... place

..... topo sit No. .... main sign

..... East from .....

meter west from ..... meter North from.....  
 meter South from ..... Meter..... sq. k.m. in total.

Section Head's

<sup>28</sup>Director General's

Signature:

Signature:

Name:

Name:

**Renewals**

S. No.	Date	Renew for F/Y	Fees paid		Signature		Remarks
			Receipt No.	Date	Section's Head	Departmental Head	

<sup>28</sup> Amended by the First Amended.

## Schedule-6

(<sup>29</sup>Relating to Sub-rule (2) of Rule 9 and

Sub-rule (1) of Rule 45)

### Details of the Progress of Prospecting Operations

1. Name and address of the licensee.....  
License No.....  
Name of the minerals.....  
Duration of progress report from.....to .....
2. District where the area of prospecting operations is located.....Municipality/VDC.....  
Ward No. .... Place .....
3. Exploration Area:-.....
4. Geological Map ..... Area..... scale.
5. Geo-chemical exploration.
  - (1) Stream sediment sampling..... method ..... No.
  - (2) Soil Sampling.....
  - (3) Rock Sampling.....
  - (4) .....
  - (5) .....
6. Geo-physical Exploration:
  - (1) .....
  - (2) .....
  - (3) .....

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<sup>29</sup> Amended by the First Amended.



- (3) Machinery and other materials
- (4) Mining environment
  - a. Light
  - b. Water
  - c. Ventilation
  - d. Safety
8. The proof of sample and authentic analysis to submit:
  - (1) Chemical analysis
  - (2) Metallurgical analysis
  - (3) Other
9. Grade and tonnage
10. Exploration cost
11. Market study

Applicant's

Signature:

Name:

Date:

NEPAL LAW COMMISSION

## Schedule-7

(Relating Sub-rules (1) and (2) of Rule 14)

### Application for License for Excavation

The Director General,  
Department of Mines & Geology,  
Lainchour, Kathmandu.

Dear Sir/Madam,

As I/We am/are interested to carryout mining opening operation pursuant to Mines and Minerals Act, 1985 (2042) and Mines and Minerals Rules, 1999 (2056) and therefore, this application is, hereby, submitted with following details:

1. Person's

Name: Occupation:

Postal address: Fax No.:

Telephone: Telex No.:

2. Corporate body's/firm's/company's:

Name:

Postal address: Fax No.:

Telephone: Registered date and No.

Office where registered:

Chief official:

3. Intended minerals to perform mining opening operation:

4. Duration desired for mining opening operation:



5. Provision of technicians:

- 1. If applicant himself:
  - a. Professional qualification and training:
  - b. Experience:
- 2. Other, if any:
  - a. Name and address:
  - b. Professional qualification and training
  - c. Experience

6. Four sides description of the area desired to perform mining opening operation:

.....Zone.....District.....  
 Municipality/V.D.C. Place.....Topo sit No.....  
 from the main specified sign of geological measure.....East  
 form .....meter.....West from.....meter  
 .....North form.....  
 meter.....South form ..... meter total  
 .....Squire k.m.

Applicant's  
 Signature:  
 Name:  
 Date:

**Attached Documents**

1. Proposed scheme of mining opening operation.
2. The detail report of the prospecting operation if it was carried out by him/herself.
3. Certificate of professional qualification, experience, citizenship and certificate of the company, firm or organization.
4. A deed of consent letter etc. of the landowner or other agencies related with the land of mining area.
5. A letter of consent of the related agencies, if the proposed mine is located within Five meters from the public road.

NEPAL LAW COMMISSION

## Schedule- 8

(Relating to Sub-rule (1) of Rule 15)

**Government of Nepal**

**Ministry of Industries**

**Department of Mines and Geology**

### License for Mining Opening Operation

This License has been issued to Mr./Mrs./Ms. ...., a resident of

..... Zone ..... District

..... Municipality /VDC Ward No. .... for excavation of  
..... minerals within the area as specified herein below  
from..... to ..... in accordance with Mines and Minerals  
Act, 1985 (2042) and Mines and Minerals Rule, 1999 (2056).

### Details of the Area for Mining Opening Operation:

..... Zone ..... District .....

Municipality / V.D.C Ward No. .... topo sit No. .... from the  
specified geological main sign..... from  
South..... meter from  
North..... meter..... from East.....  
meter.....from West.....meter total..... Squire  
k.m.

Section Head's

Departmental Chief's

Signature:

Signature:

Name:

Name:

**Renewals**

S. No.	Date	Renew F/Y	Fees Paid		Signature		Remarks
			Receipt No.	Date	Section Head's	Departmental Chief's	

NEPALI LAW COMMISSION

## Schedule-9

(<sup>30</sup>Relating to Sub-rule (2) of Rule 17 and

Sub-rule (2) of Rule 45)

### Progress Report of Annual Production of Minerals

1. Name and address of the License holder:  
License No. .... Name of the Minerals .....  
..... Duration of the progress report (Fiscal year).....
2. District where mine is located ..... Municipality/ V.D.C  
..... Ward No. .... Place .....
3. Mine Development:-
  - a. Detail of lining, drilling and explorative opening:
  - b. Study on detail technological opening and refining feasibility:
  - c. Study on detail market and economic feasibility:
  - d. Evaluation of final feasibility:
4. Mine (Productive) Development:-
  - a. Mine productive project promotion and implementation.
  - b. Operation of regular mine industry.

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<sup>30</sup> Amended by the First Amended.

c. Scheme for mine development.

Details of Production	Name of minerals by production or sub-production sold	Kinds of minerals	Unit	Last years			Total	Sell					Reserve	Remarks	
				Production	Reserve	Current year's production		Within the Country		In Abroad		Total sell			
								Qty	Value	Value	Qty	Value			
1	2	3	4	5	6	7	8 (6+7)	9	10	11	13 (9+10)	14	15 (8+13)	16	
1.															
2.															
3.															
	Total														

Applicant's

Signature:

Name:

Date:

**Note:**

1. While filling the details according to this Schedule, only the necessary details shall be filled.
2. If the space is inadequate to fill the details in the Schedule, they shall be filled up in a separate page.

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	2. Industrial grade	300.00 per ton
	9. Garnet, Kainite	
	a. Gems grade	3.00 per kg
	b. Industrial grade	50.00 per ton
	10. <i>Shaligram</i> and other fossil	10.00 per kg
	11. Coal	35.00 per ton
	12. Peat	4.00 per ton
	13. Natural (Biogenic) gas	0.20 per cubic meter
	14. Minerals related with construction	
	1) Decorative Stone and marble	
	(a) Dressed Block	428 per cubic meter
	(b) Chips	50.00 per ton
	2) Soil	
	(a) Industrial Soil	7.00 per cubic meter
	(b) Ordinary Soil	5.00 per cubic meter
	15. General construction stone	
	1) Ordinary Stone	5.00 per cubic meter
	2) Sedimentary stone	
	(a) Slab stone	4.00 per square meter
	(b) Slate stone	1.00 per square meter
	3) Aggregate	12.00 per cubic meter
	4) Sand and gravel	
	(a) Sand	2.00 per cubic meter
	(b) Gravel	3.00 per cubic meter

**Note bene: (1)**

## Schedule- 11

(Relating to Sub-rule (2) of Rule 28)

**Government of Nepal**

**Ministry of Industries**

**Department of Mines and Geology**

### **License for specified Minerals**

This License has been issued to Mr./Mrs./Ms..... a resident of Zone..... District ..... Municipality/ VDC Ward No. .... to carryout excavation of the specified minerals in the area as specified herein below from.....to.....in accordance with Mines and Mineral Act, 1985 (2042) and Mines and Minerals Rules, 1999 (2056).

### **Details of the area for mining operation of specified minerals:**

..... Zone ..... District .....  
Municipality/V.D.C Ward No. .... topo sit No. .... from  
the main specified sign of geological measure from East  
.....meter .....from West  
..... meter..... from South..... from  
North meter total ..... Squire k.m.

Section Head's

Departmental Chief's

Signature:

Signature:

Name:

Name:



## Schedule-12

(Relating Sub-rule (1) of Rule 34)

### Application for License of Mining Operation of General Construction Oriented Minerals

The District Development Committee,

.....District

Dear Sir/Madam,

I/We have, hereby, applied to obtain a license for excavation in the field of .....minerals of ordinary construction oriented mining in the following area having specified the following details under Mines and Mineral Act, 1985 (2042) and Mines and Minerals Rule, 1999 (2056).

1. Person's

Name:

Occupation:

Postal address:

Fax No.:

Telephone:

Telex No.:

2. Corporate body's/firm's/company's:

Name:

Postal address:

Fax No.:

Telephone:

Registered date and No.

Office where registered:

Chief official:

3. Intended minerals to perform mining operation:
4. Intended duration desired for mining operation:
5. Provision of technician:
  1. If applicant himself:
    - a. Professional qualification and training:
    - b. Experience:
  2. Other, if any:
    - a. Name and address:
    - b. Professional qualification and training:
    - c. Experience:
6. The four boundary details of the desired area for mining operation of general construction - oriented minerals.

Having made the main sign at.....  
 under.....Municipality/ V.D.C. of .....  
 District. of..... Zone, .....  
 meter west from..... meter east from ..... meter  
 north from..... meter south from ..... the sign total  
 .....square k.m.

Attached documents

- 1.
- 2.
- 3.

Applicant's

Signature:

Name:

Date:

## Schedule- 13

(Relating to Sub-rule (1) of Rule 37)

### District Development Committee

.....District

#### License for Mining Operation of

#### General Construction Oriented Mineral

Date.....

This License has been issued to Mr./Mrs./Ms ....., a resident of .....Zone.....District.....Municipality/ V.D.C.....Ward No.....for mining operation on .....minerals of the ordinary construction oriented minerals in the area as specified herein below from..... to..... in accordance with Mines and Minerals Act, 1985 (2042) and Mines and Minerals Rule, 1999 (2056).

#### Details of the area to carryout mining operation of the ordinary construction oriented minerals

Zone ..... District .....Municipality / V.D.C Ward No. ....place..... having considered..... as sign from East.....meter.....from West.....meter ..... from South ..... from North..... meter total Squire k.m.

License Issuing Authority's:

Signature:

Name:

Designation:

### Renewal

S.NO.	Date	Renew F/Y	Fees Paid		Signature of the renewing authority	Remarks
			Receipt No.	Date		

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## **Schedule- 14**

(Relating to Sub-rule (1) of Rule 46)

### **Annual Land rent**

1. For the First Five years One Thousand Rupees upto One square k.m. and thereafter at the rate of Five Hundred Rupees for per additional square k.m.
2. For the Second Five years Three Thousand Five Hundred Rupees upto One square k.m. and thereafter at the rate of One Thousand Seven Hundred Rupees for per additional square k.m.
3. For the Third Five years Five Thousand Rupees upto One square k.m. and thereafter at the rate of Two Thousand Five Hundred Rupees for per additional square k.m.
4. For the Fourth Five years Seven Thousand Five Hundred Rupees upto One square k.m. and thereafter at the rate of Three Thousand Seven Hundred Fifty Rupees for per additional square k.m.
5. For the Fifth Five years Nine Thousand Rupees upto One square k.m. and thereafter at the rate of Four Thousand Five Hundred Rupees for per additional square k.m.
6. For the Sixth Five years Eleven Thousand Five Hundred Rupees upto one square k.m. and thereafter at the rate of Five Thousand Seven Hundred Fifty Rupees for per additional square k.m.
7. For the Seventh Five years Thirteen Thousand Rupees upto One square k.m. and thereafter at the rate of Six Thousand Five Hundred Rupees for per additional square k.m.



8. For the Eighth Five years Fifteen Thousand Five Hundred Rupees upto One square k.m. and thereafter at the rate of Seven Thousand Seven Hundred Rupees for per additional square k.m.

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