MINISTRY OF MINES

NOTIFICATION"

New Delhi, the 3rd November, 2006

G.S.R. 691(E).—In exercise of the powers conferred by Section 35 of the Offshore Areas Mineral (Development and Regulation) Act, 2002 (17 of 2003) read with Section 22 of the General Clauses Act, 1897 (10 of 1897), the Central Government hereby makes the following rules, namely :—

CHARTER I'
Preliminary ,

1. Short title and commencement .-(1) These rules may be called the Offshore Areas Mineral Concession. Rules, 2006.

(2) They shall come into force on the date on which the Offshore Area*; Mineral (Development and Regulation) Act, 2002 shall come into force.

2. Definitions.- In these rules, unless the context otherwise requires, -

(a) "Act" means Offshore Areas Mineral (Development and Regulation) Act, 2002 (17 of 2003);

(c) "Form" means a form annexed to these rules;

(c) "Schedule" means a schedule appended to these rules;

(d) "section" means a section of the Act;

(e) words and expressions used in these rules which are not defined herein but defined in the Act shall have the meanings respectively assigned to them in the Act.

CHAPTER II
Notification of areas for grant of permit, licence or leas-3

3. **Availability of offshore areas for grant of permit, licence or lease-** (1) No offshore area shall be available for grant unless the availability of the area for grant is notified by the administering authority in the Official Gazette specifying a date from which such area shall be available for grant under section 10.

(2) Before notifying any offshore area for grant of permit, licence or lease, the Ministry of Mines shall consult the Ministry of Defence, Ministry of Environment-and Forests, Ministry of Home Affairs, Ministry of Agriculture (Department of Animal Husbandry and Dairying - Fisheries Division), Department of Ocean Development, Ministry of Shipping and Ministry of Petroleum and Natural Gas:

Provided that nothing in this rule shall apply to the renewal of a reconnaissance permit or an exploration licence or a production, lease in favour of the original grantee or his legal heirs notwithstanding the fact that the permit or licence or lease has already expired:

Provided further that where an area reserved under sub-section (1) of section 8 is proposed to be granted to a Government company, no notification under this rule shall be required to be issued:

Provided also that where an area held under an exploration licence is granted in terms of sub-section (1) of section 13, no notification under this rule shall be required tc be issued.

(3) . Where reconnaissance operation or exploration operation is to be undertaken by the Geological Survey of India, Atomic Minerals Directorate of Exploration and Research, Chief Hydrographer to the Government of India, National Institute of Oceanography, National institute of Ocean Technology or any other agency duly authorized in this behalf by the Central Government under the proviso to sub-section (1) of section 5, no prior notification under sub-rule (1) shall be required but the administering authority shall issue a notification giving details of the offshore area and period for which the reconnaissance or exploration operations are to be undertaken and a copy of the said notification shall be endorsed to the Ministry of Petroleum and Natural Gas.

CHAPTER III
Grant of Reconnaissance Permits and their renewal

4. Application for reconnaissance permit and its renewal - (1) An application for a reconnaissance permit and its renewal in respect of the offshore area shall be made to the administering authority in Form A and Form B respectively.

(2) Every application under sub-rule(1).shall be accompanied by -

(a) a valid clearance certificate in Form Y regarding payment of mining dues, such as royalty or fixed rent or con,tribution towards international Seabed Authority payable under the Act or the rules made thereunder, from Central Government or any officer or authority authorized by the Central Government in this behalf:

Provided that in case the applicant is a partnership firm or a private limited company such certificate shall be furnished by all parsers of the partnership firm or, as the case may be, all members of the private limited ccjipany:

Provided further that where any injunction has been issued by a court of law or any other competent authority staying the recovery of any such mining dues or income tax, non-payment thereof shall not be treated as a disqualification for the purpose of granting or renewing the said exploration licence:

Provided also that where a person has furnished an affidavit to the satisfaction of the administering authority within a period of ninety days from the date of application stating that he does not hold and has not held a reconnaissance permit, an exploration licence or a production lease in offshore area, it shall not be necessary for him to produce the said valid clearance certificate:

Provided also that an affidavit stating that no dues are outstanding shall be sufficient if the certificate required under this sub-rule is furnished within ninety days of the date of application and the application shall become invalid if the party fails to file the certificate within the said period of ninety days.

(b) an affidavit stating that the applicant has -

(i) filed up-to-date income-tax returns;
(ii) paid the income-tax assessed on him; and
(iii) paid the income tax on the basis of his assessment as provided in the Income-tax Act, 1961 (43 of 1961);

(c) an affidavit showing the particulars of offshore areas, mineral-wise, which the applicant or any person jointly with him -

(i) already holds under a reconnaissance permit;
(ii) has applied for but not granted; and
(iii) being applied for simultaneously.

(3) The grant of a clearance certificate under sub-rule (2) shall not discharge the holder of such certificate from the liability to pay the mining dues which may subsequently be found to be payable by him under the Act or the rules made thereunder.

5. Acknowledgement of application- (1) Where an application for the grant or renewal of reconnaissance permit is delivered personally, its receipt shall be acknowledged forthwith.

(2) Where such application is received by speed post or registered post, its receipt shall be acknowledged on the same day.

(3) In any other case, the receipt of such application shall be acknowledged within three days of the receipt.

(4) The receipt of every such application shall be acknowledged in Form C.

6. Disposal of application for renewal of reconnaissance permit- (1) An application for renewal of a reconnaissance permit shall be made at least ninety days before the expiry of the reconnaissance permit and shall be accompanied by the following documents and information >

(i) a statement relating to the reconnaissance operations already undertaken by the applicant;
(ii) the amount of expenditure incurred;
(iii) the number of hours and days for which the work was undertaken;
(iv) reasons in detail for renewal of reconnaissance permit; and
(v) the period which is required to complete the reconnaissance work.

(2) An application for the renewal of a reconnaissance permit shall be disposed of by the administering authority before the expiry of the period of reconnaissance permit, and if the application is not disposed of within that period, the permit, shall be deemed

to have been extended for a further period till the administering authority passes its order thereon.

(3) The administering authority may,-at the time of renewal, for reasons to be recorded in writing and communicated to the applicant, reduce the area applied for.

(4) The administering authority may, if the application for the renewal has been made after the time limit specified in sub-rule (1) but before the expiry of the permit, condone the delay in submission of an application for renewal of a reconnaissance permit.

7. Grant or refusal of application for a reconnaissance permit- (1) If the administering authority is satisfied that the application is in order, he may issue an order for grant of reconnaissance permit subject to such terms and conditions as specified in rule 9 and the additional terms and conditions as may be stipulated in the permit.

(2) Where it appears that the application is not complete in all material particulars or is not accompanied by the required documents, the administering authority shall, by notice, require the applicant to supply the omission or, as the case may be, furnish the documents without delay and in any case not later than thirty days from the date of receipt of the said notice by the applicant.

(3) The administering authority may, after giving an opportunity of being heard and for reasons to be recorded in writing and communicated to the applicant, refuse to grant or renew a reconnaissance permit over the whole or part of the area applied for.

8. Status of grant on death of the applicant for reconnaissance permit- (1) Where an applicant for the grant of reconnaissance permit dies before the order granting him a reconnaissance permit is passed, the application for the grant of reconnaissance permit shall be deemed to have been made by his legal representative, in case such legal representative is otherwise eligible for the grant of permit.

(2) In the case of an applicant in respect of whom an order granting a reconnaissance permit is passed but who dies before the deed referred in sub-rule (1) of rule 11 is executed, the order shall be deemed to have been passed in the name of the legal representative of the deceased, in case such legal representative is otherwise eligible for the grant of permit.

9. Conditions of a reconnaissance permit.- (1) Every reconnaissance permit granted or renewed under these rules, shall, in addition to any other conditions that may be specified therein, be subject to the following conditions, namely:-

(i) the holder of the reconnaissance permit shall make available all data or information collected by him and submit reports as per the provisions of clauses (a), (b), (c) and (d) of sub-section (2) of section 5;

(ii) the holder of the reconnaissance permit shall maintain accurate and true account of all the expenses incurred by him on the reconnaissance operations;

(iii) the permit holder shall allow every officer authorised by the Central Government or the administering authority in this behalf to examine at any time the accounts maintained and furnish to the Central Government or to the administering authority or any other officer authorised by it in that behalf such information and returns;

(iv) the permit holder shall allow the officers authorised by the Central Government or the administering authority in this behalf to inspect any reconnaissance operations carried on by him;

(v) The permit holder shall pay an amount of one thousand rupees as a consideration for each standard block of five minutes latitude by five minutes longitude for each year or part thereof for which permit is granted or renewed;

(vi) the permittee shall give at least two months advance notice before commencement of the exploration work to the Ministry of Defence to ensure that the reconnaissance work does not interfere with any Naval exercise in the area;

(vii) to undertake the reconnaissance operations only Indian contracted companies should preferably be deployed. In case foreign contracted companies are to be deployed, prior approval of the Ministry of Defence shall be obtained and data shall be collected under the supervision of Indian representatives of the permittee who shall ensure appropriate security safeguards;

(viii) the reconnaissance data should be processed in India and such processed and unprocessed data may not be imparted to any foreign contractor except with the prior approval of the Central Government;

(ix) all vessels deployed for reconnaissance work by the permit holder himself or contracted companies shall undergo naval security inspection under the aegis of the Flag Officer Commanding-in-Chief of the concerned Naval Command, Flag Officer, Offshore Defence Advisory Group prior to their deployment. A clear one month's notice is to be given to facilitate clearance/inspection;

(x) all vessels deployed for reconnaissance work by the permit holder shall obtain prior clearance from the Director - General of Shipping in terms of the relevant provisions of the Merchant Shipping Act, 1958 (44 of 1958) and the rules made thereunder;

(xi) intimation regarding awards of contracts to other contracted companies along with details of the' contracts shall be forwarded to the Naval Headquarters (Directorate of Naval Intelligence), Ministry of Defence suitably in advance of the operations by the permittee providing six monthly long case on vessels deployment by operating companies;

(xii) appropriate visa shall have to be obtained from the competent authority for issuing visa for all foreign personnel on board the vessel and for this purpose, the contracted company shall provide a list of such foreign nationals to the competent authority for issuing visa for prior visa authorization;

(xiii) the permittee shall take all precautionary measures for safety **and** security of all vessels or equipments deployed for reconnaissance operations; and

(xiv) the permittee, for issuing the marine safety warnings, shall immediately inform the Flag Officer, Offshore Defence Advisory Group and the administering authority the location indicating all vessels and equipments or machinery deployed at particular location and thereafter its new location as and when it is shifted.

(2) The reconnaissance permit may contain such other conditions as may be imposed by the Central Government which inter-alia may include the conditions regarding protection of marine environment, national security and measures necessary for prevention of smuggling operations.

(3) The administering authority may, with the approval of the Central Government, impose such further conditions as it may think necessary in the interest of mineral development and for compliance of various legal provisions.

(4) In case of breach of any condition imposed on any holder of reconnaissance permit by or under this rule, the administering authority may by order in writing, either cancel the permit, or forfeit in whole or in part, the amount deposited by the permit holder as security or do both.

Provided that no such order shall be made without giving the permit holder a reasonable opportunity of presenting his case.

10. Deed of reconnaissance permit to be executed within three months- (1) Where, on any application for a reconnaissance permit, an order has been made for the grant of such permit under sub-rule(1) of rule 7, a deed granting such permit shall be executed within ninety days of the date of the communication of the order to the applicant or such further period as the administering authority may allow in this behalf. and if no such deed is executed within such period due to any fault on the part of the applicant, the administering authority may revoke the order granting the reconnaissance permit.

(2) The deed referred to in sub-rule (1) shall be in Form D or in a form as near as possible thereto as circumstances of each case may require.

(3) The date of the commencement of the period for which a reconnaissance permit is granted shall commence on the date on which the deed is executed after all necessary clearances have been obtained.

11. Security deposit.- (1) An applicant for a reconnaissance permit shall, before the deed referred to in sub-rule (1) of rule 10 is executed, deposit as security, for the observance of the terms and conditions of the permit a sum of one thousand rupees for every standard block of five minutes latitude by five minutes longitude covered under the reconnaissance permit.

(2) Any deposit made under sub-rule (1), if not forfeited under these rules shall be refunded to the applicant as soon as the full report referred to in clause (d) of sub-section (2) of section 5 is submitted.

12. Registers relating to reconnaissance permits.- (1) A register of applications for reconnaissance permits shall be maintained by the administering authority in Form E.

(2), A register of reconnaissance permit granted under rule 7 shall be maintained by the administering authority in Form F.

CHAPTER IV
Grant of Exploration Licence and its Renewal

13. , Application for exploration licence and its renewal.-

(1) An application for an exploration licence and its renewal in respect of the offshore area shall be made to the administering authority in Form G and Form H respectively.

(2) Every such application shall be accompanied by -

(a) a valid clearance certificate in Form Y for payment of mining dues, such as royalty or fixed rent and other dues payable under the Act or the rules made thereunder, from the administering authority or any officer or authority- authorised by the administering authority in this behalf:

Provided that in case the applicant is a partnership firm or a private limited company such certificate shall be furnished by all partners of the partnership firm or, as the case may be, all members of the private limited company:

* Provided further that where any injunction has been issued by court of law or any other competent authority staying the recovery of any such mining dues or income tax, non-payment thereof shall not be treated as a disqualification for the purpose of granting or renewingthe said exploration licence:

Provided also that where a person has furnished an affidavit to the satisfaction of the administering authority within a period of ninety days from the date of application, stating that he does not hold and has not held reconnaissance permit, exploration licence or a production lease in offshore area, it shall not be necessary for him to produce the said valid clearance certificate:

Provided also that an affidavit stating that no dues are outstanding. shall suffice if clearance certificate is furnished within a period of ninety days of the date of application and the application shall become invalid if the party fails to' file the certificate within the said period of ninety days;

(b) an affidavit stating that the applicant has -

(i) . filed up-to-date income-tax return; .
(ii) paid the income tax assessed on him; and
(iii) paid the income tax on the basis of self-assessment as provided in the Income-tax Act, 1961 (43 of 1961);

(c) an affidavit stating the particulars of offshore areas mineral-wise which the applicant or any person jointly with him -

(i) already holds under an exploration licence;
(ii) has applied for but not granted; and
(iii) being applied for simultaneously.

(3) The grant of a clearance certificate under clause (a) of sub-rule (2) shall not discharge the holder of such certificate from the liability to pay the mining dues which may subsequently be found to be payable by him under the Act or the rules made thereunder.

14. Acknowledgement of application.-(1) Where an application for the grant or renewal of an exploration licence is delivered personally, its receipt shall be acknowledged forthwith.

(2) Where such application is received by speed post or registered post, its receipt shall be acknowledged on the same day.

(3) In any other case, the receipt of such application shall be acknowledged within three days of the receipt.

(4) The receipt of every such application shall be acknowledged in Form I.

15. Disposal of application for renewal of exploration licence- (1) An application for the renewal of an exploration licence shall be made at least ninety days before the expiry of the exploration licence and shall be accompanied by the following documents and information : -

(i) a statement relating to the exploration operations already undertaken by the applicant;
(ii) details of expenditure incurred;
(iii) the numbers of hours and days for which the work was undertaken;
(iv) reasons in details for renewal of exploration licence; and
(v) the period which is required to complete the exploration work.

(2) An application for the renewal of an exploration licence shall be disposed of by the administering authority before the expiry of the period of such exploration licence and if the application is not disposed of within that period, the licence shall be deemed to have been extended for a further period till the administering authority passes order thereon.

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(3) The administering authority may, at the time of renewal, for reasons to be recorded in writing and communicated to the applicant, reduce the area applied/for

(4) The administering authority may, if the application for renewal of exploration licence has been made before the expiry of the licence, condone delay in submission of such application for renewal of an exploration licence made after the time limit provided in sub-rule (1)

16. Refusal of application for an exploration licence- (1) **If** the administrating authority is satisfied that the application is in order, he may issue an order for grant of an exploration licence in Form J Subject to such terms and conditions as are specified in rule 18 and the additional terms and conditions as may be stipulated therein,

(2) The administering authority may, after giving an opportunity of being heard and for reasons to be recorded in writing and communicated to the applicant, refuse to grant or renew an exploration licence over the whole or part of the offshore area applied for.

(3) An application for the grant or renewal of an exploration licence made under rule 13 shall not be refused by the administering authority only on the ground that Form G or Form H, as the case may be, is not complete in all material particulars, or is not accompanied by the documents referred to in clauses (a),(b) and (c) of sub-rule (2) of that rule.

(4) Where it appears that the application is not complete in all material particulars or is not accompanied by the required documents, the administering authority shall, by notice, require the applicant to supply the omission or, as the case may be, furnish the documents without delay and in any case not later than thirty days from tha date of receipt of the said notice by the applicant.

17 Status of grant on death of the applicant for exploration lic«nce.-(1) Where an applicant for the grant of an exploration licence dies before the order granting him an exploration licence is passed, the application for the grant of an exploration licence shai be deemed to have been made by his legal representative, in case such legal representative is otherwise eligible for the grant of licence.

(2) In the case of an applicant in respect of whom an order granting an exploration licence is passed but who dies before the deed referred to in sub-rule (1) of rule 19 is executed the order shall be deemed to have been passed in the name of the legal representative of the deceased, in case such legal representative is otherwise eligible for the grant of licence.

18 Conditions of an exploration licence.- (1) Every exploration licence granted under these rules, shall, in addition to any other conditions that may be specified therein, be subject to the following-conditions, namely:-

(i) the licensee shall pay exploration charges at the rate of five thousand rupees as a consideration for every standard block of five minutes latitude by five minutes longitude covered by the exploration licence for each year or part of a year of the period for which licence is granted or renewed;

(ii) for every standard block as specified in clause(i), the licensee may win and carry for purposes other than commercial purposes-

fa) any quantity of such minerals within the limits specified in column (3) of the Schedule without any payment;

(b) any quantity of such minerals not exceeding the limits specified in column (4) of the Schedule on payment of royalty for the time being specified in the First Schedule to the Act in respect to those minerals:

Provided that if any quantity in excess of the quantities referred to in sub-clause (b) is won and carried away, the administering authority shall recover the cost of the excess quantity of minerals won and carried away.

(iii) with the written approval of the administering authority, the licensee may carry away quantities of minerals in excess of the limits specified in the Schedule, on payment of royalty for the time being specified in the First Schedule to the. Act, for chemical, metallurgical, ore-dressing and other test purposes;

(iv)(a) the licensee shall report to the administering authority the discovery of any mineral not specified in the licence within a period of sixty days from the date of such discovery. Consequent upon such reporting, the newly discovered mineral shall, be deemed to have been included in the exploration licence except the mineral oils namely oil, gas, gas hydrate, oil sands or any other hydrocarbon compound,

(b) the licencee shall, if encountered during exploration operations, report indications of any form of mineral oil, namely, oil, gas, gas hydrate, oil sands or any other hydrocarbon compound, to the administering authority within a period of sixty days from the date of such encounter, who in turn shall pass on the information to the Secretary to the Government of India in the Ministry of Petroleum and Natural Gas:

Provided that no atomic mineral shall be included in the exploration licence without approval of the Department of Atomic Energy.

(v) (a) the licensee shall not, except with the previous sanction of the administering authority, transfer his licence to any person :

Provided that no exploration licence shall be transferred to any person who has not filed an affidavit stating that he has filed an up-to-date income-tax return and paid the income tax assessed on him and paid the income tax on the basis of self assessment as provided in the tncome-tax Act, 1961 (43 of 1961):

Provided further that the administering authority shall not grant its sanction for the transfer of exploration licence unless the transferee has accepted all the conditions and liabilities, which the transferor has in respect of such exploration licence.

(b) where on an application for grant of sanction to transfer the exploration licence under sub-clause (a), the administering authority has granted sanction for transfer of such licence, a transfer deed in Form.J, or a form as near thereto as possible shall be executed within three months of the date of consent, or within such further period as the administering authority may allow in this behalf.

(c) the administering authority may, by order in writing and after providing the licensee the opportunity of being heard, cancel such exploration licence at any time if the licensee has, in the opinion of the administering authority, committed a breach of this clause;

(vi) the licensee shall not pay any wage less than the minimum wages prescribed by the appropriate Government from time to time, under the Minimum Wages Act, 1948 (11 of 1948);

(vii) the licensee shall make available all data or information collected bv him and submit reports as per the provisions of clauses (a), (b), (c) and (d) of sub-section (2) of section 5 ;

(viii) the licensee shall maintain accurate and true account of all the expenses incurred by him on the exploration operations and also the quantity and other particulars of all minerals obtained during such operations and their dispatch ;

(ix) the licensee shall allow every officer authorised by the Central Government or the administering authority in this behalf to examine at any time accounts maintained and furnish the Central Government or the administering authority or any other officer authorised by it in that behalf such information and returns as they may desire ;

(x) the licensee shall allow any officer authorised by the Central Government or the administering authority in this behalf to inspect any exploration operations carried on by him ;

(xi) the licensee shall give at least two months advance notice before commencement of the exploration work to the Ministry of Defence to

ensure that the exploration work does not interfere with any Naval exercise in the area ;

(xii) to undertake the exploration operations only Indian contracted companies should preferably be deployed. In case foreign contracted companies are to be deployed, prior approval of the Ministry of Defence shall be obtained and data shall be collected under supervision of Indian representatives of the licensee who shall ensure appropriate security safeguards ;

(xiii) the exploration data should be processed in India and such processed and unprocessed data may be imparted to any foreign contractor only with prior approval of the Central Government;

(xiv) all vessels deployed for exploratory work by the licensee himself or contracted companies shall undergo Naval security inspection of the Indian Navy under the aegis of the Flag Officer Commanding-in-Chief of the concerned Naval Command, Flag Officer, Offshore Defence Advisory Group prior to their deployment. A clear one month's notice is to be given to facilitate clearance or inspection.

(xv) all vessels deployed for exploratory work by the licensee shall obtain prior clearance from the Directorate General of Shipping in terms of the relevant provisions of the Merchant and Shipping Act, 1958 (44 of 1958) and the rules made thereunder;

(xvi) intimation regarding awards of contracts to other contracted companies along with details of the contracts shall be forwarded to the Naval Headquarters (Directorate of Naval Intelligence), Ministry of Defence suitably in advance of the operations by the licensee providing six monthly long case on vessels deployment, by operating companies ;

(xvii) appropriate visa shall have to be obtained from the competent authority for all foreign personnel on board the vessel and for this purpose, the contracted company shall provide a list of such foreign nationals to competent authority for prior visa authorization ;

(xvinj the licensee shall take all precautionary measures for safety and security of all vessels or equipments deployed for exploration activities

(xix) for issuing the marine safety warnings, the licensee shall immediately inform the Flag Officer, Offshore Defence Advisory Group and the administering authority the location indicating all vessels and equipments'or machinery deployed at particular location and thereafter its new location as and when it is shifted.

(2) An exploration licence may contain such other conditions relating to the following as the administering authority may think fit to impose, namely:-

(i) indemnity to Central Government against the claim of-a third party for any damage, injury or disturbance caused to him by the licensee;

(ii) restrictions on exploration operations in any offshore area prohibited by any competent authority;

(iii) conditions regarding entry in certain parts of offshore areas;

(iv) facilities to be given by the licensee for working other minerals, mineral oil and hydrocarbon resources in the licenced area or adjacent areas;

(v) filing of civil suits or petitions relating to disputes arising out of the offshore area under exploration licence.

(3) The administering authority may, either with the previous approval of the Central Government or at the instance of the Central Government, impose such further conditions as may be necessary in the interest of mineral development:

(4) In the case of breach of any condition imposed on any holder of exploration licence by or under this rule, the administering authority may, by order in writing, cancel the licence or forfeit, in whole or part, the amount deposited by the licensee under rule 21 or do both.'

Provided that no such order shall be made without giving the licensee a reasonable opportunity of being heard or stating his case.

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19. Licence to be executed within three months.- (1) Where on any application for an exploration licence, an order has been made for the grant of such licence, a deed granting such licence shall be executed within ninety days of the date of the communication of the order or such further period as the administering authority may allow in this behalf, and if no such deed is executed within the said period due to any default on the part of the applicant, the administering authority may revoke the order granting the licence and in that event the exploration charges paid shall be forfeited to the administering authority.

(2) The deed referred to in sub-rule (1) shall be in Form K, or in a form as near thereto as circumstances of each case may require.

(3) The date of the commencement of the period, for which an exploration licence is granted shall commence on the date on which the deed is executed after all necessary clearances have been obtained.

20. Disclosure of exploration data.- (1) While submitting reports under clause (vii) of sub-rule (1) of rule 18, the licensee may specify that the whole or any part of the report or data • submitted by him shall be kept confidential, and the concerned authorities shall thereupon, keep the specified portions as confidential if the licensee has applied for a production lease over the whole or part of the area covered under an exploration licence.

(2) The administering authority shall be at liberty to disclose the exploration data to any prospective investor if the licensee fails to apply for a production lease after six months of the expiry of the exploration licence or* if an application for production lease preferred by the licensee is rejected.

21. Security deposit.- (1) An applicant for an exploration licence shall, before the deed referred to in sub-rule (1) of rule 19 is executed, deposit as security for the due observance of the terms and conditions of the licence a sum of rupees twenty-five thousand for every standard block of five minutes latitude by five minutes longitude or part thereof for which the licence is granted.

(2) Any deposit made under sub-rule (1), if not forfeited under these rules, shall be refunded to the licensee as soon as the final report referred to in clause (d) of sub-section (2) of section 5 is submitted by the licensee.

22. Registers relating to exploration licences - (1) A register of applications for exploration licences shall be maintained by the administering authority in Form L.

(2) A register of exploration licences granted shall be maintained by the administering authority in Form M..

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CHAPTER V
Grant of Production Lease

23. Application for grant or renewal of production lease- (1) (a) Every application for grant of a production lease in respect of offshore areas shall be made to the administering authority in Form N.

(b) An application for the renewal of a production lease shall, at least twelve months before the date on which the lease is due to expire, be made to the administering authority in Form 0.

(2) Every application for the grant or renewal of a production lease shall be accompanied by-

fa) a valid clearance certificate in Form C for payment of mining dues in respect of offshore areas, such as royalty or any other amount payable under the Act or these rules, from administering authority in this behalf:

Provided that in case the applicant is a partnership firm or a private limited company, such certificate shall be furnished by all partners of the partnership firm or, as the case may be, all members of the private limited company:

Provided further that where any injunction has been issued by a court of law or any other competent authority staying the recovery of any such mining dues or income-tax, non-payment thereof shall not be treated as a disqualification for the purpose of granting or renewing the said production lease :

Provided also that where a person has furnished an affidavit to the satisfaction of the administering authority stating that he does not hold and has not held a reconnaissance permit or an exploration licence or a production lease in offshore areas, it shall not be necessary for him to produce the said clearance certificate :

Provided also that a duly sworn affidavit stating that no dues are outstanding shall suffice if the clearance certificate is furnished within a period of ninety days of the date of application and the application shall become invalid if the party fails to file the certificate within the said period of ninety days :

Provided also that the grant of a clearance certificate shall not discharge the holder of such certificate from the liability to pay the mining dues which may subsequently be found to be payable by him under the Act or these rules;

(b) an affidavit stating that the applicant has -

(i) filed up-to-date income-tax return;
(ii) paid the income-tax assessed on him; and
(iii) paid the income-tax on the basis of self-assessment as provided in the Income-tax Act, 1961 (43 of 1961),

(c) an affidavit showing particulars of area mineral-wise in offshore area which the applicant or any person jointly with him -

(i)' already holds under a production lease;
(ii) has already applied for but not granted;
(iii) being applied for simultaneously.

24. Acknowledgement of application.- (1) Where an application for the grant or renewal of a production lease is delivered personally, its receipt shall be acknowledged forthwith.

(2) Where such application is received by speed post or registered post, its receipt shall be acknowledged on the same day.

(3) In any other case, the receipt of such application shall be acknowledged within three days of the receipt.

(4) The receipt of every such application shall be acknowledged in Form P.

25. Renewal of production lease.- (1) If an application for renewal of a production lease made within the time referred to in clause (b) of sub-rule (1) of rule 23, is not disposed by the administering authority before the date of expiry of the lease, the

period of that lease shall be deemed to have been extended by a further period till the administering authority passes order thereon.

(2) The administering authority may condone delay in filing an application for renewal of production lease made after the time limit specified in clause (b) of sub-rule (1) of rule 23 provided the application has been made before the expiry of the lease.

26. Status of the grant on the death of applicant for production lease.- (1) Where an applicant for a grant or renewal of production lease dies before the order granting him a production lease or its renewal is passed, the application for the grant or renewal of a production lease shall be deemed to have been made by his legal representative, in case such legal representative is otherwise qualified for the grant of licence.

(2) In the case of an applicant in respect of whom an order granting *or* renewing a production lease is passed, but who dies before the deed referred to in sub-rule (1) of rule 33 is executed, the order shall be deemed to have been passed in the name of the legal representative of the deceased, in case such legal representative is otherwise qualified for the grant of licence.

27. Refusal of application for grant and renewal of production lease - (1) The administering authority may, after giving an opportunity of being heard and for reasons to be recorded in writing and communicated to the applicant, refuse to grant or renew a production lease over the whole or part of the *area* applied for.

(2) An application for the grant or renewal of a production lease made under rule 23, shall not be refused by the administering authority only on the ground that Form N or Form O, as the case may be, is not complete in all material particulars, or is not acconpanied by the documents referred to in sub-clauses (a), (b) and (c) of sub-rule (2) of rule 23.

(3) Where it appears that the application is not complete in all material particulars or is not accompanied by the required documents, the administering authority shall, by notice, require the applicant to supply the omission or, as the case may be, furnish the documents, without delay and in any case not later than thirty days from the date of receipt of the said notice by the applicant.

28. Conditions of a production lease .- (1) Every production lease shall be subject to the following conditions, namely:-

(a) the lessee shall report to the administering authority the discovery in the offshore leased *area* of any mineral not specified in the lease, within sixty days of such discovery :

Provided that indications of any form of mineral oil namely, oil, gas, gas hydrate, oil sands or any other hydrocarbon, if encountered during

production operation shall be reported to the administering authority within a period of sixty days from the day of such encounter, who in turn shall pass on the information to the Ministry of Petroleum and Natural Gas;

(b) if any mineral not specified in the lease is discovered in the offshore leased area, the lessee shall not win and dispose of such mineral unless such mineral is included in the lease or a separate lease is obtained therefor;

(c) the lessee shall pay, for every year, such yearly fixed rent at the rates specified in the Second Schedule to the Act and if the tease permits the working of more than one mineral in the same area the administering authority shall not charge separate fixed rent in respect of each mineral:

Provided that the lessee shall be liable to pay. the fixed rent or royalty in respect of each mineral, whichever be higher in amount but not both;

(d) the lessee shall commence production operations within two years from the date of execution of the lease and shall thereafter conduct such operations in a proper, skillful and workman-like manner;

(e) the lessee shall keep accurate and true accounts showing the quantity and other particulars of all minerals obtained and despatched from the mine! the number and nationality of persons employed therein, and complete plans of the mine, and shall allow any officer authorised by the •Central Government or administering authority in this behalf to examine at any time-any accounts, plans and records maintained by him and shall furnish the administering authority with such information and returns as it or any officer authorised by it in this behalf may require ;

(f) the lessee shall keep accurate records of all,excavations, pits and drillings made by him in the course of production operations carried on by him under the lease, and shall allow any officer authorised by the Central Government or administering authority to inspect the same. Such records shall contain the following particulars, namely:-

(i) the subsoil and strata below the seabed through which such excavations, pits or drillings pass ;

• (ii) any mineral encountered;

(iii) such other particulars as the Central Government or administering authority may from time to time, require ;

(g) the lessee shall allow any officer authorised by the Central Government or administering authority, as the case may be, to enter upon any site of excavation or any portion of lease area comprised in the lease for the purpose of inspecting the same ;

(h) the lessee shall not pay a wage less than the minimum wage prescribed by the appropriate Government from time to time under the Minimum Wages Act, 1948 (11 of 1948);

(i) the lessee shall comply with the directions issued by Central Government or administering authority for conservation and systematic development of offshore minerals, prevention of pollution, protection of marine environment and prevention of coastal erosion or prevention of danger of life and property including marine life;

(j) the lessee shall conduct all production operations himself. In case equipment or machinery for production operations are deployed by way of contract, only Indian companies should be preferred and if foreign companies are engaged, the work should be carried out under the supervision of Indian representatives of the lessee who shall ensure appropriate security safeguards;

(k) the lessee shall ensure that data generated during the production operation should be processed in India and such processed and unprocessed data may be imparted to any foreign contractors only with prior approval of the Central Government.

(l) the lessee shall ensure that all vessels deployed in the area by the lessee or by the contracted companies shall undergo Naval Security Inspection under the aegis of the Flag Officer Commanding-in-Chief of the concerned Naval Command, Flag Officer, Offshore Defence Advisory Group prior to their deployment. A clear one months notice is to be given to facilitate clearance and inspection;

(m) all vessels deployed for exploratory work by the permit holder shall obtain prior clearance from the Director General of Shipping in terms of the relevant provisions of the Merchant and Shipping Act, 1958 (44 of 1958) and the rules made thereunder;

(n) the lessee shall ensure that intimation regarding awards of contracts to other contracted companies along with details of 'the contracts shall be forwarded to the Naval Headquarters (Directorate of Naval Intelligence), Ministry of Defence suitably in advance of the operations by the lessee providing six monthly long case on vessels deployment by operating companies;

(o) appropriate visa shall have to be obtained from the competent authority for all foreign personnel on board the vessel and for this purpose, the contracted company shall provide a list of such foreign nationals to competent authority for prior visa authorization;

(p) the lessee shall take all precautionary measures for safety and security of all vessels and equipments deployed for exploration activities;

(q) the lessee shall, for issuing the marine safety warnings, immediately inform the Flag Officer, Offshore Defence Advisory Group and- the administering authority, the location indicating co-ordinates of all vessels, existing and under construction offshore installations/platforms, equipment and machinery deployed-within leased area and thereafter its new location as and when it is shifted.

(2) A production lease may contain such other conditions as the administering authority may deem necessary in regard to the following, namely:-

(a) the time-limit, moae and place of payment of rents and royalties ;

(b) the compensation for damage to the marine life and environment covered by the lease ;

(c) the,restriction, of operations in any area prohibited by any authority ;

(d) the notice by lessee for commencement of production operations ;

(e) the provision of proper weighment of mineral despatched ;

(f) the facilities to be given by the lessee for working other minerals in the leased area or adjacent area ;

(g) the securing of pits and other excavations;

(h) the reporting of accidents ;

(i) the indemnity to Central Government or administering authority against claims of th^rd parties ;

(j) the delivery of possession of offshore lease area on the surrender, expiration or determination of the lease ;

(k) the time-limit for removal of mineral, ore, plant, machinery and other properties from the lease hold area after expiration, or sooner . determination or surrender or abandonment of the production lease ;

(l) the forfeiture of property left after determination of lease ;

(m) the power to take possession of plant, machinery, premises and mines in the event of war or emergency ;

(n) filing of civil suits or petitions relating to disputes arising out of the offshore area under lease.

(3) The administering authority may, either with the previous approval of the Central Government or at the instance of the Central Government, impose such further conditions as may be necessary in the interest of mineral development.

(4) If the lessee does not allow entry or inspection under clause (e), (f) or (g) of sub-rule (1), the administering authority shall give notice in writing to the lessee requiring him to show cause within such time as may be specified in the notice why the lease should not be determined and his security deposits forfeited; and if the lessee fails to show cause within the aforesaid time to

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the satisfaction of the administering authority, the administering authority may determine the lease and forfeit the whole or part of the security deposit.

(5) If the lessee makes any default in the payment of royalty as required under sub section (1) of section 15 or payment of fixed rent as required under sub section (1) of section 16 or commits a breach of any of the conditions specified in sub-rules (1), (2), and (3), the administering authority shall give notice to the lessee requiring him to pay the royalty or fixed rent or remedy the breach, as the case may be, within sixty days from the date of the receipt of the notice and if the royalty or fixed rent is not paid or the breach is not remedied within the said period, the administering authority may, without prejudice to any other proceedings that may be taken against him, determine the lease and forfeit the whole or part of the security deposit.

29. Lapsing of leases.- (1) Subject to the conditions of this rule, where production operations are not commenced within a period of two years from the date of execution of the deed of lease, or is discontinued for a continuous period of two years after commencement of such operations, the administering authority shall, by an order, declare the production lease as lapsed and communicate the declaration to the lessee.

(2) Where a lessee is unable to commence the production operation within a period of two years from the date of execution of the deed of production lease, or discontinues production operation for a period exceeding two years for reasons beyond his control, he may submit an application to the administering authority, explaining the reasons for the same, at least three months before the expiry of such period.

(3) The administering authority may on receipt of an application made under sub-rule (2) and on being satisfied about the adequacy and genuineness of the reasons for the non-commencement of production operations or discontinuance thereof, pass an order before the date on which the lease would have otherwise lapsed, extending or refusing to extend the period of the lease;

Provided that where the administering authority on receipt of an application under sub-rule (2) does not pass an order before the expiry of the date on which the lease would have otherwise lapsed, the lease shall be deemed to have been extended until the order is passed by the administering authority or until a period of two years, whichever is earlier.

Explanation 1.- Where the non-commencement of the production operations within a period of two years from the date of execution of production lease is on account of-

(a) delay in supply or installation of machinery ; or

(b) delay in getting financial assistance from the banks, or any financial institutions ; or

(c) ensuring supply of the mineral in an industry of which the lessee is the owner or in which he holds not less than fifty per cent of the controlling interest;

and the lessee is able to furnish documentary evidence supported by a duly sworn affidavit, the administering authority may consider if there are sufficient reasons for non-commencement of operations for a continuous period of more than two years.

Explanation 2.- Where the discontinuance of production operations for a continuous period of two years after the commencement of such operations is on account of -

(a) orders passed by any statutory or judicial authority ; or

(b) operations becoming highly uneconomical ; or

(c) strike or lock out;

and the lessee is able to furnish documentary evidence supported by a duly sworn affidavit, the administering authority may consider if there are sufficient reasons for discontinuance of operations for a continuous period of more than two years.

30. Revival of lapsed lease.- (1) Where a lessee is unable to commence the production operations within a period of two years from the date of execution of the production lease, or discontinues production operations for a period of exceeding two years for reasons beyond his control, he may submit an application to the administering authority explaining the reasons for the same at least within six months from the date of its lapse.

(2) The administering authority, on receipt of an application made under sub-rule (1) and on being satisfied about the adequacy and genuineness of the reasons for non-commencement of production operations or discontinuance thereof taking into consideration the matters specified in Explanations 1 and 2 to rule 29, pass an order reviving the lease :

Provided that the lease shall not be revived under this provision for more than twice during the entire period of the lease.

31. Restriction on determination of lease - (1) The lessee shall not determine the lease except after notice in writing of not less than twelve calendar months to the administering authority or to such officer, or authority as the administering authority may specify in this behalf:

Provided that where a lessee holding a production lease for a group of minerals applies for the surrender of any mineral from the lease on the ground that deposits of that mineral have since exhausted or depleted to such an extent that it is no longer economical to work the mineral, the administering authority may permit the lessee to surrender that mineral, subject to the following conditions, namely:-

(i) the lessee applies for such surrender of mineral at least six months before the intended date of surrender; and

(ii) the lessee gives an undertaking that he shall not cause any hindrance in the working of the mineral so surrendered by any other person who is subsequently granted a production lease in respect of that mineral :

Provided further that where a lessee applies for the surrender of the whole or a part of lease-hold area on the ground that deposits of minerals have since exhausted or depleted to such an extent that it is no longer economical to work in such area, the administering authority shall permit the lessee, from the date of receipt of the application, to surrender that area if the following conditions are satisfied, namely:-

(i) the lease-hold area to be surrendered is contiguous and has been properly surveyed,

(ii) the lessee has paid all the dues payable to the Central Government under the lease up to the date of application :

Provided also that surrender of the lease area by the lessee shall be permitted only thrice during the period of the lease on fulfilling the conditions, namely:-

(i) that at least a period of five years has elapsed since the last surrender; and

(ii) that the provisions regarding systematic development of mineral deposit provided in the work programme including the measures for protection of environment have been complied with.

(2) The administering authority shall inform the Ministry of Petroleum and Natural Gas about the areas relinquished or determined indicating their coordinates.

32. Rights of lessee.- Subject to the conditions mentioned in rule 28, the lessee with respect to the offshore area leased to him shall have the right for the purpose of production operations on that offshore area -

(a) to work the mines, win and carry away the mineral;

(b) to sink pits ;

(c) to bring and install plant and machinery ;

(d). to use sea water if required for mining or transportation ;

(e) to use any part of offshore leased area for stacking purpose ,

(f) to do any other thing specified in the lease:

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Provided that if rights conferred under this rule are infringing upon or posing hindrance or risk and hazard to any petroleum operations or petroleum installations, the lessee shall not use his rights unless issues are resolved by administering authority in consultation with the Ministry of Petroleum and Natural Gas.

33. Lease deed to be executed within six months - (1) Where, on an application for the grant of a production lease, an order has been made for the grant of such lease, a tease deed in Form Q or in a form as near thereto as circumstances of each case may require, shall be executed within six months of the order or within such further period as the administering authority may allow in this behalf, and if no such lease deed is executed within the said period due to any default on the part of the applicant, the administering authority may revoke the order granting the lease and in that event the application fee shall be forfeited to the Central Government.

(2) The date of the commencement of the period for which a production lease is granted shall be the date on which a duly executed deed under sub-rule (1) is registered.

34. Security deposit- An applicant for a production lease, shall before the deed referred to in rule 33 is executed, deposit a sum of ten lakh rupees as security for the due observance of the terms and conditions of the lease.

35. Survey of the area leased.- When a production lease is granted by the administering authority, arrangements shall be made by the administering authority at the expense of the lessee for the survey and demarcation of the area granted under the lease.

36. Boundaries of the production lease.- The boundaries of a production lease shall be indicated by the longitudes and latitudes and shall run vertically downwards below the sea surface towards the centre of the earth.

37. Transfer of lease.- (1) The lessee shall not, without the previous consent in writing of the administering authority -

, (a) assign, sublet, mortgage, or in any other manner, transfer the production lease, or any right, title or interest therein, or

(b) enter into or make any bonafide arrangement, contract, or understanding whereby the lessee shall or may be directly of indirectly financed to a substantial extent by, or under which the lessee's operations or undertakings shall or may be substantially controlled by, any person or body of persons other than the.lessee :

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Provided that where the mortgagee is a financial institution or a Bank, it shall not be necessary for the lessee to obtain any such consent of the administering authority.

(2) The administering authority shall not give his consent to transfer of production lease unless the transferee has accepted all the conditions and liabilities which the transferor was having in respect of such mining lease.

(3) Without prejudice to the provisions of sub-rule (1), the lessee may, transfer his lease or any right, title *or* interest therein to a person who has filed an affidavit stating that he has filed an up-to-date income-tax returns, paid the income tax assessed on him and paid the income tax on the basis of self-assessment as provided in the Income-tax Act, 1961 (43 of 1961):

Provided that the lessee shall make available to the transferee the original or certified copies of all plans of abandoned workings in the offshore area:

Provided further that where the mortgagee is a financial institution or a Bank, it shall not be necessary for any such institution or Bank to meet with the requirement relating to income tax:

Provided also that the lessee shall not charge or accept from the transferee any premium in addition to the sum spent by him, in obtaining the lease, and for conducting all or any of the operations referred to in rule 29 in or over the offshore area leased to him.

(4) The administering authority may, by order in writing, determine any lease at any time if the lessee has, in the opinion of the administering authority, committed a breach of any of the provisions of sub-rule (1) or sub-rule (2) or has transferred any lease or any right, title, or interest therein otherwise than in accordance with sub-rule (3):

Provided that no such order shall be made without giving the lessee a reasonable opportunity of stating his case.

38. Transfer of lease to be executed within three months.- Where on an application for transfer of mining lease under rule 37, the administering authority has given consent for transfer of such lease, a transfer lease deed in Form R, or a form as near thereto as possible, shall be executed within three months of the date of the consent, or within such further period as the administering authority may allow in this behalf.

39. Registers relating to production leases.- (1) A register of applications for production leases shall be maintained by the administering authority in Form S.

(2) A register of production leases shall be maintained by the administering authority in Form T.

CHAPTER VI
Marine Environment

40. Protection of environment and marine life - (1) Every holder of a reconnaissance permit or an exploration licence or a production lease shall comply with all international conventions and treaties to which the Central Government is a party and the laws and customs governing the High Seas including those relevant to environmental protection, pollution control including hazardous wastes.

(2) Every holder of a reconnaissance permit or an exploration licence or a production lease shall take ail possible precautions and measures for protection of marine environment and living resources especially fishery resources while carrying out reconnaissance, exploration or mineral production operations and shall ensure that the living habitat of the fishery resources are maintained intact while carrying out any operation under permit, licence or lease, as the case may be.

(3) Every application for renewal of a reconnaissance permit or an exploration licence or a production lease shall be accompanied by a detailed note indicating the measures already taken by the permitee, the licensee or lessee for protection of environment and marine life including the living habitat of the fishery resources and shall also indicate the manner in which it is proposed to be protected after the renewal of permit or licence or lease.

(4) The holder of a reconnaissance permit or an exploration licence or a production lease shall control air pollution due to smoke, gaseous emissions (gaseous and particulate), during reconnaissance, exploration or production operations *and* related activities and keep it within the standards specified under any law for the time being in force in respect of protection of environment.

(5) The holder of a reconnaissance permit or an exploration licence or a production lease shall take appropriate steps to control and abate noise arising out of reconnaissance, exploration or production operations and keep the levels within permissible limits.

(6) The holder of a reconnaissance permit or an exploration licence or a production lease shall take appropriate steps to control and abate pollution from effluents arising out of reconnaissance, exploration or production operations and treat them to the standards, specified under the relevant environmental regulations in the country.

(7) The holder of a reconnaissance permit or an exploration licence or a production lease shall take appropriate steps and measures to dispose out of solid wastes including hazardous wastes arising out of reconnaissance, exploration or production operations as specified under the relevant environmental regulations in the country.

(8) The standards and permissible limits for all pollutants, toxins and noise referred to in sub-rules (1), (4) and (5) shall be those notified by the concerned authority under the provisions of the relevant statutes including the Air (Prevention and Control of Pollution) Act, 1981 (14 of 1981), the Environment (Protection) Act, 1986 (29 of 1986), Wildlife Protection Act 1972 (53 of 1972"), the Maritime Zones of India (Regulation of fishing by foreign vessels) Act, 1981 (42 of 1981) and the regulations administered by the Ministry of Shipping and those under the Coast Guard Act, 1978 (30 of 1978), as amended from time to time.

(9) The permittee or licencee or lessee, as the case may be, shall immediately inform the administering authority about findings of an object of archeological and historical nature, shipwrecks and its location in the offshore area. The administering authority shall transmit such information to the Archeological Survey of India, Ministry of Culture or Ministry of Shipping, as the case may be.

(10) The permittee or licensee or lessee, as the case may be, shall immediately inform to the administering authority in writing about occurrence of any incident which causes or may cause serious harm to the marine environment and the marine life and other marine resources.

(11) The administering authority shall make emergency orders in the following cases, namely:-

(a). When the administering authority has been informed by a permittee or licensee or lessee or has become aware of an incident otherwise resulting from or caused by a contractor's activity in an area that has caused or is likely to cai;se serious harm to the marine environment, the administrative authority shall issue a general notification, direction or order of the incidents, in writing to the permittee, licensee or lessee.

(b). The administering authority shall -take such immediate measure of temporary nature as are practicable and reasonable in the circumstances, to prevent, contain and minimize any serious harm to the marine environment. Duration for measure of temporary nature shall be highlighted in this direction.

(c) If the permittee or licensee or lessee does not promptly comply with, an emergency order or direction relating to the marine environment arising out of the activities in the area, the administrative authority shall take by itself or through arrangement with others on his behalf such practical measures as are necessary to prevent contain and minimize any such serious harm to the marine environment.

(d) The permittee *or* licensee or lessee shall provide the administrative authority with a guarantee of its financial and technical capabilities to comply promptly with emergency order or direction.

41. Systematic disposal of waste.- (1) Every holder of an exploration licence or a production lease shall take appropriate steps to ensure systematic disposal of waste generated during mining.or processing operations within the offshore area.

(2) In case the wastes including hazardous wastes generated during exploration or production operations can be used economically for construction and other purposes, it may be transported from the licence area or lease area as the case may be, on payment of appropriate royalty. In case it is required to be dumped, either on-shore or offshore as a means of disposal, the holder of the exploration licence or a production lease shall take appropriate steps and measures to dispose such solid wastes including hazardous wastes arising out of exploration or production operations as specified under the law for the time being in force.

(3) Wherever possible the waste material shall be backfilled into the excavated portion with a view to restore seabed to its original shape and condition as far as possible.

42. Discharge of toxic substances.- Every holder of an exploration licence or a production lease shall take all possible precautions to prevent discharge of toxic and objectionable liquid effluents in the offshore areas especially where bereficiation plant, workshop and other facilities are developed within the offshore areas. Such effluents should be suitably treated before discharging into sea, if required, to conform to the standards laid down under any law for the time being in force in this regard.

CHAPTER VII
Safety Measures

43. Safety.- (1) A "no-mining barrier zone" measuring 7.5 seconds stiall be kept all along the boundaries of the offshore production lease and the lessee shall not carry out any mining operations within this zone. This would provide a 15 seconds barrier between two consecutive lease blocks within the offshore area to ensure safe operations.

(2) The licencee or lessee shall intimate the geographical coordinates of mining exploration or production area to Chief Hydrographer to the Government of India for publishing on Navigational charts and issue of navarea warning for safety of mariners at sea] at least fifteen days before commencing mining exploration or production.

(3) In order to protect the maritime activities near the seashore, the holder of a production lease shall neither carry out any mining operation nor dump the waste material within a distance of one nautical mile from the low tide line of the sea shore.

CHAPTER VIII
Reconnaissance Operations

44. Scheme of reconnaissance.- Every holder of a reconnaissance permit shall submit to the administering authority within a period of sixty days from the date of execution of the reconnaissance permit, a scheme of reconnaissance operations indicating the manner in which he proposes to carry out reconnaissance operations in the area covered by the permit, and such scheme shall contain -

(a) particulars of the offshore area such as surface or sub-surface extent, boundaries;
(b) the scale of the plan and the area of geological mapping; and
(c) the particulars of the machines and instruments to be used.

45. Modification of scheme of reconnaissance.- (1) A scheme of reconnaissance operation prepared and submitted under rule ,44 may be modified at any time on geological considerations by the holder of a reconnaissance permit during continuance of the reconnaissance permit.

(2) Any modification carried out under sub-rule (1) shall be intimated to the administering authority by the holder of reconnaissance permit within a period of fifteen days of such modification.

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46. Reconnaissance operations to be carried out in accordance with the scheme of reconnaissance.- Every holder of the reconnaissance permit shall carry out the reconnaissance operations in accordance with the scheme of reconnaissance operation submitted under rule 44 or with such modifications, if any, as intimated under rule 45, or as directed by the administering authority.

47. Intimation about reconnaissance operations.- Every holder of a reconnaissance permit shall send to the administering authority, an intimation of the commencement of reconnaissance operations within a period of fifteen days of such commencement.

48. Submission of reports about reconnaissance operations- Every holder of a reconnaissance permit shall send to the Director General, Geological Survey of India, Kolkata and the administering authority a six monthly report in Form U along with all the underwater photography, geological, geophysical, geochemical and such other data collected by him as per the conditions stipulated in the reconnaissance permit within a period of thirty days after expiry of every six months beginning from the date of execution of the reconnaissance permit or the expiry of the reconnaissance permit or the abandonment of the reconnaissance permit or termination of reconnaissance permit, whichever is earlier:

Provided that in the case of investigations pertaining to the atomic minerals, such report shall also be submitted to the Secretary to the Government **of** India dealing with the Atomic Energy.

CHAPTER IX
Exploration Operations

49. Work programme of exploration operations- Every holder of an exploration licence shall submit to the administering authority within a period of sixty days from the date of execution of the exploration licence, a work programme including a scheme of exploration operations indicating the manner in which he proposes to carry out exploration operations in the area covered by the licence, and in particular such work programme shall include-

(a) particulars of the of offshore area such as surface or subsurface extent, boundaries;

(b) the scale of the plan and the area of geological mapping; and

(c) the particulars of the machines and instruments to be used.

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50. Modification of scheme of exploration - (1) A scheme of exploration operation prepared and submitted under rule 49 may be modified at any time on geological considerations by the holder of an exploration licence during continuance of the licence.

(2) Any modification carried out under sub-rule (1) shall be intimated to the administering authority by the holder of exploration licence within a period of fifteen days of such modification.

51. Exploration operations to be carried out in accordance with the scheme of exploration.- Every holder of the exploration licence shall carry out the exploration operations in accordance with the scheme of exploration operation submitted under rule 49 or with such modifications, if any, as intimated under rule 50, or as directed by the administering authority.

52. Intimation about exploration operations- Every holder of an exploration licence shall send to the administering authority, an intimation of the commencement of exploration operations within a period of fifteen days of such commencement.

53. Submission of reports about exploration operations.- Every holder of an exploration licence shall send to the Director General, Geological Survey of India, Kolkata and the administering authority a six monthly report in Form V along with all

the underwater photography, geological, geophysical, geochemical and such other data collected by him as per the conditions stipulated in the exploration licence thirty days after expiry of every six months period from the date of execution of the licence or the expiry of the licence or the abandonment of the licence or termination of licence, whichever is earlier:

Provided that in the case of investigations pertaining to the atomic minerals, such report shall also be submitted to the Secretary to the Government of India dealing with Atomic Energy.

CHAPTER X
Production Operations

54. Work programme of production lease:- Every holder of a production lease shall submit to the administering authority within a period of sixty days from the date of execution of the production lease, a work programme including a scheme of production operations indicating the manner in which he proposes to carry out production operations in the area covered by the lease.

55. Modification of scheme of production - (1) A scheme of production operations prepared and submitted under rule 54 may be modified at any time on geological considerations by the holder of a production lease during continuance of the lease.

(2) Any modification carried out under sub-rule (1) shall be. intimated to the administering authority by the holder of production lease within a period of fifteen days of such modification.

56. Production operations to be carried out in accordance with the scheme of production.- (1) Every holder of the production lease (on grant or renewal) shall be required to submit an application alongwith Environment Impact Assessment, Environment Management Programme Report and other documents as specified by the Ministry of Environment and Forests and obtain environment clearance from the Ministry of Environment and Forests before the commencement of production operation.

(2) Every holder of the production lease shall carry out the production operations in accordance with the scheme of production submitted under rule 55 or with such modifications, if any, as intimated under rule 56, or as directed by the administering authority and in compliance with conditions imposed for grant of environment clearance.

57. Intimation about production operations- Every holder of a production lease shall send to the administering authority, an intimation of the commencement of production operations within a period of fifteen days of such commencement.

58. Submission of reports about production operations- Every holder of a production lease shall send to the Director General, Geological Survey of India, Kolkata and the administering authority a six monthly report in Form W along with all underwater photography, geological, geophysical, geochemical and such other data collected by him as per the conditions stipulated in the production lease within thirty days after expiry of every six months period from the date of execution of the production lease or the expiry of the production lease or the abandonment of the production lease or termination of production lease, whichever is earlier:

Provided that in the case of investigations pertaining to the atomic minerals, such report shall also be submitted to the Secretary to the Government of India dealing with Atomic Energy.

CHAPTER XI
Appeals

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59. Application for appeal.- (1) Any person aggrieved by any order made by the administering authority or officer in exercise of the powers conferred on it by the Act or these rules may, within three months of the date of communication of the order to him prefer an appeal to the Central Government, in triplicate, in Form X.

Provided that any such appeal may be entertained after the said period of three months if the appellant satisfies the Central Government that he had sufficient cause for not preferring the appeal within time.

(2) In every application made under sub-rule (1) against the order of an administering authority refusing to grant a reconnaissance permit, an exploration licence or a production lease, any person to whom reconna-issance permit or exploration licence or production lease was granted in respect of the same area or for a part thereof, shall be impleaded as party.

(3) The applicant shall, along with the memorandum of appeal under sub-rule (1), submit as many copies thereof as there are parties impleaded under sub-rule (2).

(4) On receipt of the application and the copies thereof, the Central Government shall send a copy of the application to each of the parties impleaded under sub-rule.(2) specifying a date on or before which he may make his representations, if any, against the appeal.'

60. Orders on appeal application.-(1) On receipt of an appeal application under rule 59, the Central Government shall forward the copies of application to the

administering authority or other authority and to all the impleaded parties calling upon them to make such comments as they may like to make within three months from the date of issue of the communication, and the administering authority or other authority and the impleaded parties, while furnishing comments'to the Central Government shall simultaneously endorse a copy of the comments to the other parties.

(2) Comments received from any party under sub-rule (1), shall be sent to the other parties for making such further comments as they may like to make within one month from the date of issue of the communication and the parties making further comments shall send them to all the other parties and the Central Government.

(3) The appeal application, the communications containing comments and counter-comments referred to in sub-rules (1) and (2) shall constitute the records of the case.

(4) After considering the records referred to in sub-rule (3), and after giving the parties to the appeal a reasonable opportunity of being heard and after making such inquiry as it deems proper, the Centra! Government may confirm, modify or reverse the order appealed against or send back the case with such directions as it may think fit for a fresh order after taking additional evidence, if necessary.

(5) Pending the final disposal of an appeal application, the Central Government may, for sufficient cause, stay the execution of the order against which an appeal has been preferred.

CHAPTER XII
Miscellaneous

61. Power to rectify apparent mistakes.- Any clerical or arithmetical mistake in any order passed by the Central Government or any other authority or officer under these rules and any. error arising therein from accidental slip or omission, may, within two years from the date of the order, be corrected by such Government, authority or officer, as the case may be :

Provided that no order prejudicial to any person shall be passed unless he has been given a reasonable opportunity for stating his case.

62. Premature applications.- Application for the grant of a reconnaissance permit, exploration licence or production lease in respect of areas whose availability for grant has not been notified under rule 3 shall be deemed to be premature and shall not be entertained.

63. Change of name, nationality, and the like to be intimated.- (1) An applicant for, or the holder of, a reconnaissance permit, an exploration licence or a production lease shall intimate to the administering authority within sixty days any change that may take place in his name, nationality *or* other particulars mentioned in the relevant forms submitted to the administering authority.

(2) If the applicant for; or the holder of, a reconnaissance permit or an exploration iicence or a production lease fails, without sufficient cause, to furnish the information referred to in sub-rule (1), the administering authority may reject the application or determine the reconnaissance permit or exploration licence or production lease, as the case may be :

Provided that no such order shall be made without giving the applicant or permit holder or the licensee or the lessee, as the case may be, a reasonable opportunity of stating his case.

64. How the fees and deposit to be made:- Any amount payable under the Act or these rules shall be paid in such manner as the administering authority may specify in this behalf.

65. interest to be charged:- The administering authority may, without prejudice to the provisions contained in the Act or these rules, charge simple interest at the rate of twenty four percent per annum on any rent, royalty or fee or other sum due under the Act or these rules or under the terms and conditions of any exploration licence or production lease from the sixtieth day of the expiry of the date fixeC by the administering authority for payment of such royalty, rent, fee or other sum and until payment of such royalty, rent, fee or other sum is made.

66. Facilities for training of students:- (1) Every owner, agent or manager of a mine shall provide all facilities for onboard training of Government staff or institutions and permit students of mining and geological institutions approved by the Central Government to acquire practical training of the mines and plants operated by them and provide all necessary facilities required for the training of such students.

(2) Applications for training of Government Staff may be made to the owner, agent or manager of a mine through the administering authority. Applications /or'training from students of institutions teaching mining or geology shall be forwarded io the owner, agent or manager of a mine through the Principal or Head of the Institution. Cases or refusal to provide facilities for practical training by any owner, agent or manager of a mine should be referred to the Controller General, Indian Bureau of Mines.

67. Preservation of cores, and the like .- The owner, agent, mining engineer, geologist or manager of every mine or the holder of a exploration licence shall preserve intact all cores and specimens of different types of rocks and minerals obtained during drilling or sinking operations and arrange for them to be laid out in a serial order with identification marks, showing the progressive depth at which they are obtained and such specimens shall not be broken except for the purpose of analysis and testing in which case, representative samples of the specimens so broken will be preserved for a period of not less than six months from the date of completion of drilling or sinking operations.

The administering authority, by an order in writing, may require the cores or specimens of rocks and minerals obtained from specific boreholes or drilling to be preserved for any specific period or relax the provisions of this rule to such an extent as the administering authority may deem fit.

68. Suspension of operations.- (1) The administering authority may, if it considers that adequate reasons have been furnished, authorize for periods not on any occasion exceeding six months, suspension of operations relating to permit, licence or lease.

(2) The administering authority may, if it authorizes suspension as aforesaid, impose such conditions as it may think fit for protection of reconnaissance, exploration or production operations or for protection of mineral deposits or for any other purpose whatsoever, the permitee, licensee or the lessee shall comply with such conditions as if, they are incorporated in the permit, licence or the lease.

69. Cancellation of permit, licence or lease:- (1) If the permitee, licensee or lessee or his executor, administrator or assignee at any time during the term of the permit, licence or lease: -

(a) fails to fulfil or contravenes, any of the terms, covenants and conditions contained therein, or

(b) fails tc use the offshore area covered by it for bonafide purpose for which it has been granted, or

.(c) use sueh offshore area for a purpose other than for which it has been granted, or

(d) fails to comply with Indian laws and regulations, international conventions or treaties to which Government is a party and the laws and customs governing the High Seas including those relevant to environmental protection, pollution control including hazardous wastes, or

(e) fails to abide by the lawful directives of the administering authority and Security agencies,

the administering authority may, where it is satisfied that the failure, contravention or use is such as can not be remedied, may cancel the permit, licence or lease with forfeiture of whole or any part of the security deposit made under sub rule (1) of rule 11, sub rule(1) of rule 21, or rule 34, after serving a thirty days notice to such person and after considering the representation, if any, made by him and such cancellation shall be conveyed to the permitee, licensee or lessee by a registered letter and shall be effective from the date of its receipt.

(2) if the failure, contravention or use referred to in sub-rule (1), is considered to be of a remediable nature, the administering authority shall give notice to such person requiring him to remedy the same within sixty days from the date ot receipt of the notice and informing him that penalty as aforesaid may be imposed if such remedy is not provided within such period. The administering authority may, after considering the representation, if any, made by such permitee, licensee or lessee, impose the aforesaid penalty if such person fails to provide remedy within such period.

Provided that the failure on the part of such a person to fulfil any of the terms, covenants and conditions of the permit, licence or lease shall not give the administering authority any power to impose the aforesaid penalty in so far as such failure arises from the force majeure and if through force majeure the fulfillment of any of the terms covenants and the conditions of the permit, licence or lease is delayed, the period of such delay shall be added to the period fixed by the permit, licence or lease for the performance of any act. Explanation : For the purpose of these rules "Force majeure" includes an act of God, war, storm, lightening, explosion, fire, earthquake and any other happening which the permitee, licensee or lessee could not reasonably prevent or control.

(3) If reconnaissance, exploration or production operations are not carried out as per the scheme of reconnaissance or work programme for exploration or work programme for production, as the case may be, the administering authority may order suspension of all or any of the operations and permit continuance of only such operations as may be necessary to restore conditions as envisaged in the scheme of reconnaissance or work programme for exploration or work programme for production.

(4) If during term of a permit, licence or lease any part of the offshore area covered by it, is required for any public purpose, the administering authority, may upon one month's notice and after considering the representation, if any, made by the persor. concerned, cancel such permit, licence or lease in so far as it relates to the said part of the offshore area subject to such restrictions and conditions as it may impose, and such cancellation shall be effective from the date of receipt of written communication by the permitee, licensee or lessee

70. Lease period.- Where more than one mineral is found in an offshore area and lease is granted for exploiting two or more minerals, the periods of lease for all minerals shall be co-terminus with that for which the first lease was originally granted.

FORM A

[See rule 4(1)]

"To be submitted in triplicate"

Received
at . . . . . (place)
on . . . . . (date)
Initial of Receiving Officer

GOVERNMENT OF INDIA

(Application for Reconnaissance Permit)

Dated day of 20...

To
Administering Authority

Sir,

I/We request that a reconnaissance permit under the Offshore Areas Mineral Concession Rules, 2006 be granted to me/us.

2. The required particulars are given below: -

(i) Name of the applicant with complete address.

(ii) Is the applicant a private individual / private company /. public company / firm or association?

(iii) In case applicant is:

(a) an individual, his nationality;

(b) a company, an attested copy of the certificate of registration of the company shall be enclosed;

(c) firm or association, the nationality of all the partners of the firm or members of the association.

(iv) Profession or nature of business of applicant.

(v) Number and date of the valid clearance certificate of payment of mining dues (copy attached).

(vj) If on the date of application the applicant does not hold a reconnaissance permit, it should be stated whether an affidavit to this effect has been furnished to the satisfaction of the administering authority.

(vii) Mineral or minerals for which the applicant intends to carry out reconnaissance.

(viii) Period for which the reconnaissance permit is required.

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(ix) Extent of the area the applicant wants for reconnaissance (latitude and longitude covering the offshore area applied be indicated).

(x) Particulars of the areas mineral-wise within the offshore areas for which the applicant or any person joint in interest with him;

(a) already holds under reconnaissance permit;

(b) has already applied for but not granted;

(c) being applied for simultaneously.

(xi) Nature of joint interest, if any,

(xii) If the applicant intends to supervise the works, his previous experience of reconnaissance, exploration or production operations should be explained; if he intends to appoint a manager, the name of such manager, his qualifications, nature and extent of his previous experience should be specified and his consent letter should be attached.

(xiii) Financial resources of the applicant.

(xiv) Particulars of receipted treasury challan attached for the amount referred to at para 2 above.

(xv) The works proposed to be undertaken alongwith their physical annual targets.

(xvi) Anticipated minimum annual expenditure (activity or workwise).

(xvii) Any other particulars which the applicant wishes to furnish.

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I/We do hereby declare that the particulars furnished above are correct and am/are ready to furnish any other details, as may be required by you.

Yours faithfully,

(Signature and designation of the applicant)

Place
Date

Note: 1. If the application is signed by an authorised agent of the applicant, Power of Attorney should be attached.

2. The application should relate to one compact offshore area only.

FORWIB

[See rule 4(1)]

GOVERNMENT OF INDIA

(Application for renewal of Reconnaissance Permit)

Received
at .....(place)
on.....(date)
Initial of Receiving Officer

Dated day of 20....

To
Administering Authority

Sir,

I/We request for renewal of my/our reconnaissance permit under the Offshore Areas Mineral Concession Rules, 2006.

2. The required particulars are given below: -

(i) Name of the applicant with complete address.

(ii) Is the applicant a private individual/private company/public company/firm or association?

(iii) In case applicant is:

(a) an individual, his nationality,

(b) a company, an attested copy of the certificate of registration of the company shall be enclosed,

(c) firm or association, the nationality of all the partners of the firm or members of the association.

(iv) Profession or nature of business of applicant.

(v) Number and date of the valid clearance certificate of payment of mining dues (copy enclosed).

(vi) An affidavit, that up-to-date income tax returns, as prescribed under the Income-tax Act, 1961(43 of 1961), have been filed and the tax due, including the tax on account of self-assessment has been paid.

(vii) " Particulars of the reconnaissance permit of which renewal is desired.

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(viii) Reasons in detail for asking for renewal of reconnaissance permit along with a report on the reconnaissance already carried out.

(ix) Period for which renewal of reconnaissance permit is desired.

(x) Whether renewal is desired for the whole or part of the area held under reconnaissance permit.

(xi) In case the renewal applied for is only for part of the area held under reconnaissance permit.

(a) the area applied for renewal (give latitudes and longitudes covering the area).

(xii) Particulars of the area mineral-wise within the offshore areas supported by an affidavit for which the applicant or any person jointly in interest with him-

(a) already holds under reconnaissance permit;

(b) has already applied for but not granted;

(c) being applied for simultaneously.

(xiii) Any other particulars which the applicant may wish to furnish.

I/We do hereby declare that the particulars furnished above are correct and am/are ready to furnish any other details, including accurate plans, as may be required by you.

Yours faithfully,

Signature and designation of
the applicant

Place
Date

Note:- 1. If the application is signed by an authorised agent of the applicant, Power of Attorney should be attached.

2. The renewal application should relate to one compact offshore area only.

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FORMC

[See rule 5(4)]

(Receipt of application for Reconnaissance Permit or renewal)

GOVERNMENT OF INDIA

Dated day of 20.

Serial Number

Received the application with the following enclosures for a reconnaissance permit / renewal of reconnaissance permit of Shri/Sarvashree.....on..... 20....for an area between.....latitude and.....longitude for reconnaissance of .....mineral /minerals.

Enclosures:

Place
Date

Signature and designation
of Receiving Officer

(Seal)

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{See rule 10(2)]q

(Deed of Reconnaissance Permit)

When **the permit holder is** individual

THIS INDENTURE made this.....day of .... 20.... between the President of India (hereinafter referred to as the 'Central Government' which expression shall where the context so admit be deemed to include his successors and assigns) of the one part and.....(name of person with address and occupation) (hereinafter referred to as "the permit holder" which expression shall where the context so admits, be deemed to include his heirs, executors, administrators, representatives and permitted assigns).

When the permit holders are morethanone individual

.....(Name of person with address and occupation) and.....("Name of person with address and occupation) (hereinafter referred to as "the permit holders" which expression shall where the context so admits, be deemed to include their respective heirs, executors, administrators, representatives and their permitted assigns).

When the permit holder is a registered firm .....(Name and address of partner) son of .....of.....son of.....of.....son of.....of ..... All carrying on business in partnership under the firm name and style of (name of the firm) .....registered under the Indian Partnership Act, 1932 (9 of 1932) and having their registered office at.....in the town of ..... (hereinafter referred to as "the permit holder" which expression shall, where the context so admits, be deemed to include all the said partners, their respective heirs, executors, legal representatives and permitted assigns).

When the permit holder is a registered company .....(Name of company) a company registered under.....Act under which incorporated and having its registered office at..... (address) (hereinafter referred to as "the permit holder" which expression shall, where the context so admits, be deemed to include its successors and permitted assigns) of the other part.

WHEREAS the permit holder/holders has/have applied to the Central Government in accordance with the Offshore Areas Mineral Concession Rules, 2006 (hereinafter referred to as the said rules) for a reconnaissance permit to explore for .....in the offshore area specified in Schedule 'A hereunder written and delineated in the plan herewith annexed (hereinafter referred to as the said offshore areas) and has/have deposited with the Central Government Rs.....as the prescribed security according to sub rule (1) of rule 11 in respect of such permit and has/have paid to the Central Government the sum of Rs.....as the prescribed consideration for..... Months/years in advance in respect o such permit and WHEREAS there is no objection to the grant of such permit and WHEREAS the administering authority has approved the grant of this permit. NOW THESE PRESENTS WITNESS as follows:

PART -1

In consideration of the securities$_T$ covenants and agreements hereinafter reserve and contained and on the part of the permit.holder(s) to be paid/observed and performed, the Central Government hereby grants the reconnaissance permit and demises into the permit holder(s) the rights.

(1) *To enter into the offshore areas and undertake reconnaissance operations:*

To enter into the said offshore areas and to undertake reconnaissance operations to search for all, or any.....(Name of minerals) lying, or being within, under or throughout the said offshore areas.

Provided that the permit holder shall not enter the said offshore areas unless all necessary clearances from the Defence and Home Ministries, Government of India have been obtained for undertaking reconnaissance operations.

(2) *To bring upon machinery etc:*

To bring upon the said offshore areas such machinery, equipment and conveniences as may be proper and necessary effectively carrying on the reconnaissance operations hereby permitted or for the workmen employed hereon.

Reserved nevertheless to the Central Government full power and liberty at all times to enter into and upon the said offshore areas for all or any purposes other than those for which rights and permit hereby expressly conferred upon.
To hold the said right'and permit unto the permit holder(s) from the date of these presents for the term of. . . . . .(hereinafter referred as the said term).

Paying therefor annually in advance a sum of Rs. . . . . .(in words) being the consideration for each year or portion of a year as specified in Schedule B and immediately on the expiration or sooner determination of the said term clear of all dues and deductions by the permit holder(s) during the said terms.

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PART - II

Covenants by Permit holder(s)

The permit holder(s) hereby covenants/covenant with the Central Government as follows:-

Payment of consideration;

(1) To pay annually in advance the consideration in respect of ensuring year or part of the year at such rates and time as specified in Schedule 'B' hereunder.

To carry on work in workman-like manner;

(2) To work and carry on the operations hereby permitted in a fair, orderly, skilful and workman-like manner and with as little damage as may be to the surface of the seabed under water vegetation, marine life including fishery resources or other structures erected for navigation thereon.

To make available collected data and information:

(3) To furnish all data and information collected during the reconnaissance operation as per provisions of clause (a), (b), (c) and (d) of sub-section (2) of section (5) to the concerned authorities.

Maintenance of correct accounts:

(A) Permit holder(s) shall maintain an accurate and true account of all the expenses incurred by him/them on reconnaissance and also the quantity and other particulars of all samples obtained during such operations and their despatch.

Indemnity Government against an ciaims.

(5) To make reasonable satisfaction and pay such compensation as assessed •by lawful authority in accordance with the law in force on the subject for all damage, injury, or disturbance which may be done by him in exercise of the powers granted by this permit and to indemnify and keep indemnified fully and completely the Central Government against all claims which may be made by any person or persons in respect of any such damage, injury or disturbance and all costs and expenses in connection therewith.

Abide by other Acts and Rules:

(6) (a) To pay a wage not less than the minimum wage prescribed by the appropriate Government from time to time.

(b) To take measures, at his own expenses, for the protection of marine environment as may be prescribed by the Central Government from time to time.

Entry, inspection, search and seizure:

(7) To allow authorities of the Coast Guards, Ministry of Defence including officers of Indian Navy and officers of other concerned Central Government Departments authorised by the administering authority to enter, inspect, search in the said offshore area to ascertain compliance of various Acts and Rules applicable to offshore operations and to prevent smuggling to ensure national security. Said authorities or officers shall also be allowed to seize any document, material, weapon etc. found during the search.

Forfeiture of security deposits etc.:

(8) Whenever the security deposit of Rs. . . . . or any part thereof or any further sum hereafter deposited with the Central Government in replenishment thereof shall be forfeited or applied by the Central Government, pursuant to the power hereinafter declared in that behalf, the permit holder(s) shall forthwith deposit with the Central Government such further sum as may be sufficient with the unappropriated part thereof to bring the amount in deposit with the Central Government up to the sum of Rs.

Permit holder not to be controlled by trust, syndicate, etc:

(9) The permit holder(s) shall not be controlled or permit himself/themselves to be controlled by any trust, syndicate, corporation, firm or person except with the written consent of the Central Government.

Report of accident:

(10) The permit holder(s) shall without delay send to the administering authority a report of any accident causing death or serious bodily injury or serious injury to property or seriously affecting or endangering life or property which may occur in the course of the operations under this permit.

Sections 20 and 35 of the Act:

(11) The permit holder(s) shall be bound by such rules as referred to in under section 20 of the Act and measures prescribed by Central Government for prevention and control of pollution and protection of marine environment in the offshore areas and shall not carry on reconnaissance, exploration or other operations under the said permit in any way other than as prescribed under the Offshore Areas Mineral Concessions Rules, 2006 or directives issued by the Central Government.

Removal of machinery, etc after expiration, determination or abandonment:

(12) Upon "the expiration or sooner determination of this permit or the abandonment of the operations hereby permitted, whichever shall first occur, the permit holder(s) shall remove expeditiously at his/their own cost all plants, engines, machinery implements and other property and effects theretofore, erected or brought by the permit holder(s) and then standing or being upon the said offshore areas provided that this covenant shall not apply to any part of the said offshore areas which may be comprised in any exploration licence or production lease granted to the permit holder(s) during the subsistence of this permit.

Report of work done before the refund of security deposits:-

(13) At any time before the said security deposit is returned to him/them or transferred to any other account or within one month after the expiration or sooner determination of the permit or abandonment of the operations whichever is earlier, the permit holder(s) shall submit to the Central Government confidentially a full report of the work done by him/them and disclose all information acquired by him/them in the course of the operations carried on under this permit regarding the geology and mineral resources of the offshore area covered by the permit.

Report of information obtained by permit holder:-

(14) (1) The permit holder(s) shall submit to the Central Government (Indian Bureau of Mines):

(a) a six monthly report of the work done by him/them stating the number of persons engaged and disclosing in full the geological, geophysical, or other valuable data collected by him during the period.

The report shall be submitted within three months of the close of the period to which it relates

(b) within three months of the expiry of the permit, or abandonment of operations or termination of the permit, whichever is earlier, a full report of the work done by him and all information relevant to mineral resources acquired by him/them in the course of reconnaissance in the offshore area covered by the permit:

(2) While submitting reports under clause (1), the permit holder(s) may specify that the whole or any part of the report or data submitted by him shall be kept confidential; and the Central Government shall thereupon keep the specified portions as confidential for a period of two years from the expiry of the permit or abandonment of operations or termination of the permit, whichever is earlier.

Employment of foreign nationals:-

(15) The permit holder(s) shall not employ, in connection with the reconnaissance operation any person who is not an Indian national except with the previous approval of the Central Government.

Furnishing of Survey data:-

(16) The permit holder(s) shall furnish:

(a) all geological, geophysical, geochemical, geotechnical, bathymetry, current salinity, temperature or any other data including anomaly maps, charts, sections, geomorphological maps, core logs, underwater photographs etc. collected during the course of reconnaissance to the Director General, Geological Survey of India, Koikata.

(b) all information pertaining to investigations of radio active minerals collected by him/them during the courses of operations to the Secretary to the Department of Atomic Energy, New Delhi.

Data or information referred to above shall be furnished every year reckoned from the date of commencement of the period of the reconnaissance permit.

To comply with International Laws:-

(17) To comply with all international conventions and treaties to which Government is a party and the laws and customs governing the High Seas and with all laws and regulations, instructions and orders issued by the Government for the protection of navigation, aircraft, fishing and fisheries.

To prevent danger to shipping:-

(18) To ensure that the equipments/vessels deployed for the purpose are so placed, marked, buoyed and lighted as not to constitute a danger to shipping.

Not to cause interference in Navigation:-

(19) To ensure that no interference may be caused to recognised sea lanes essential to International navigation, without the prior concurrence of Government ^

To prevent pollution of the Sea:-

(20) To take all practical measures including the provision of modern equipment to ensure that no liquid waste is discharged into the sea during reconnaissance operations in the sea bed and subsoil of the area and in the case of such discharge to take all reasonable steps to_stop or reduce the same and to prevent the pollution of the sea by discharge of liquid waste

No mining operations within 500 mtrs. distance from any installation of a petroleum concessions:-

(21) Not to carry out any mining or excavation activities within a horizontal distance of 500 mtrs. from any platform, erect, pumping station, pipeline that has been erected by a petroleum concession holders and known underwater archeological sites of importance.

Facilities for holders of Government Licenses or Leases for access:-

(22) The permittee shall allow existing and future holders of Government permits, licenses or leases over any area which is comprised in or adjoins, or is reached by the areas held by the permit holder, reasonable facilities of access thereto provided that no substantial hindrance or interference shall be caused by such holders of permits or licenses or leases to the operations of the permit holder under these presents.

PART-III

Powers of the Central Government

It is hereby agreed as follows: -

Cancellation of the permit and forfeiture of the deposit in case of breach of conditions:-

(1) In the case of any breach of any condition of the permit by the permit holder(s) or his assignees, the Central Government shall give a reasonable opportunity to the permit holder(s) of stating his/their case and where it is satisfied that the breach is such as cannot be remedied, on giving, thirty days notice to the permit holder(s) *or* his transferees or assignees, determine the permit and or forfeit the whole or any part of the said deposit Rs.————deposited under the covenants in that behalf as the Central Government may deem fit. In case the Central Government considers the breach to be of a remediable nature, it shall give notice to the permit holder(s)or. his transferees or assignees as the case may be requiring

him/them to remedy the breach within thirty days from the date of receipt of the notice informing him of the penalty proposed to be inflicted if such remedy is not made within such period.

Application of security to payment of compensation:-

(2) The Central Government may from time to time appropriate and apply the said deposit of Rs.——————or any part thereof or any further sum deposited under any covenants in that behalf hereinbefore contained in or towards payment or satisfaction of any claims to compensation which the Government has or may have against the permit holder(s) and/or which may be made by any person or persons against the permit holder(s)and or the Central Government in respect of any damage or injury done by the permit holder(s) in exercise of any of the powers conferred by this permit and in or towards payment of any damages, costs of expenses which may become payable as a result of or in connection with any suits or proceedings, which may be instituted against the Central Government in respect of any such damage or injury and also or towards payment of the expenses of the carrying out or performance of any works of matters, which the permit holder(s) shall fail to carry out or perform after the expiry or sooner determination of this permit or the abandonment of the operations hereby permitted in accordance with the covenants in that behalf hereinbefore contained or in payment or satisfaction of any claims, damages, costs and expenses.

. *When the properties are not removed from the offshore areas in time:-*

(3) If any plants, engines, machinery implements, utensils or other property or effects which ought to be removed by the permit holder(s) from the said offshore areas, in accordance with the covenant in that behalf hereinbefore contained, be not so removed within one calendar month after notice in writing requiring their removal shall have been given to .the permit holder(s) by the Central Government, the same shall be deemed to have become the property of the Central Government and may be sold or disposed of for the benefit of the Central Government in such manner as the Central Government shall deem fit, without any liability to pay any compensation or to account to the permit holder(s) in respect thereof.

Permit holder(s) to pay for work done on his/their behalf:-

(4) If any of the works or matter, which in accordance with the covenants in that behalf hereinbefore contained, are to be carried out or performed by the permit holder(s), be not so carried out or performed within time specified in that behalf, the Central Government may cause the same to be carried out or performed and the permit holder(s) shall pay the Central Government on demand all expenses which shall be incurred in such carrying out or performance of the same.

Right of pre-emption;-

(5) In the event of existence of a state of war or emergency (of which the President of India shall be the sole judge and notification to this effect in the Gazette of India shall be conclusive proof), the Central Government shall, from time to time and at all times during the said term, have the right [to be exercised by a notice in writing to the permit holder(s)] to forthwith take possession and control of the works, plants, machinery and premises of the permit holder(s) on or in connection with the said offshore areas *or* the operations under this permit and during such possession or control, the permit holder(s) shall conform to and obey all directions given by or on behalf of the Central Government regarding the use of employment of such works, plants premises and minerals provided that fair compensation, which shall be determined in default of agreement by the Central Government shall be paid to the permit holder(s) for all loss or damages sustained by him/them by reason or any consequence of the exercises of the powers conferred by this clause and provided also that the exercise of such powers shall not determine the said term hereby granted or affect the terms and provisions of these presents further than may be necessary to give effect to the provisions of this clause.

Power of Government to work for petroleum and natural gas:-

(6) The Central Government has power to authorise any other licensee/lessee or person in its behalf to enter into and upon the said area and to search for, dig, raise and carry away petroleum and natural gas and for these purposes to sink, drive, erect, construct, maintain and use such plant, installations, pipelines, waterways, engines, machinery, plant and conveniences as may be deemed necessary provided that in the exercise of such power no substantial hindrance or interference shall be caused to the rights of the permittee under these presents and that fair compensation shall be made to the permittee for the loss/damage sustained by the permittee by reasons or in consequence of the exercise of such power.

To Grant permission to lay pipelines in the permitted area:-

(7) The Central Government has power to grant and demise to any other licensee/lessee the power to enter into the said areas and to lay pipelines or install pumping station for the purposes of extracting petroleum or natural gas by any other lessee duly authorised by the Central Government provided that as little interference as possible should be caused by the lessee/licensee of the petroleum/natural gas to the operations of the permittee under these presents

To impose other necessary restrictions:-

(8) That exercise of any of the powers reserved by this part shall be in accordance with such restrictions and conditions as the Central Government may, by general or special order, from time to time, specify.

PART - IV

Rights of permit holder(s)

It is hereby further agreed as follows: -

Renewal of reconnaissance permit:

(1) If the permitee/permitees be desirous of taking a renewed permit of the premises hereby demise or of any part of that for further term from the expiration of the term hereby granted and is otherwise eligible, he/they shall apply to the Central Government for renewal at least prior to the date of expiration of the term of permit under these covenants and shall pay fixed rents and royalties hereby reserved and shall observe and perform the several covenants and agreements herein contained and on the part of the permitee/permitees to be observed and performed up to the expiration of the term hereby granted, The Central Government on receipt of the application for renewal shall consider it in accordance with relevant sections of the Offshore Areas Mineral (Development and Regulation) Act, 2002 (17 of 2003) and relevant rules of the Offshore Areas Mineral Concession Rules, 2006 and shall pass such orders as it may deem fit. If renewal is granted, the Central Government will, at the expense of the permitee/permitees and upon his/their executing and delivering to the Central Government, if required, the counter part thereof, execute and deliver to the permitee/permitees the renewed permit of the said premise or part thereof for further term up to two years on such rate of royalty and on such terms and subject to such covenants and agreement including the present covenants be renewed and shall in accordance with the Offshore Area Mineral Concession Rules, 2006 be applicable.....(names of the minerals) on the day next following the expiation of the term hereby granted.

Refund of deposit:

(2) On such date within six calendar months after the determination of the permit as the Central Government shall elect after compliance by the permit holder of the provisions of the Offshore Areas Mineral Concession Rules,

2006, the amount then remaining in deposit with Central Government and not required to be applied to any of the purposes in Part III of these presents mentioned, shall be refunded to the permit holder(s) or if the permit holder(s) shall have obtained an exploation licence or a production lease over the said offshore areas or any portion thereof, be retained at the credit of the permit holder(s) on account of security rents and royalties to become payable under such licence or lease. The amount shall in no case carry any interest whatsoever.

PART - V

General Provisions

It is lastly agreed as follows:

Delay in fulfillment of the term of permit due to force majeure:

(1) Failure on the part of permit holder(s) to fulfil any of the terms and conditions of this permit shall not give the Central Government any claim against him/her or be deemed a breach of the permit in so far as such failure is considered by the Central Government to arise from force majeure.

If the fulfilment of the permit holder(s) of any of the terms and conditions of this permit be delayed from force majeure, the period of such delay shall be added to the period fixed by this permit.

The expression "force majeure" means act of God, war, storm, lightening, explosion, fire, earthquake and any other happening which the permit holder(s) could not reasonably prevent or control.

Service of notices:

(2) Every notice required to be given to the permit holder(s) shall be given in writing to such person as the permit holder(s) may appoint for the purpose of receiving such notices or if no such appointment is made then the notice shall be sent to the permit holder(s) by registered post addressed to him/them at the address shown in his/their application for the permit at such other address in India as he/they designate from time to time, and every such service shall be deemed to be proper and valid service upon the permit holder(s) and shall not be questioned or challenged by him.

Discovery of new minerals:

(3) The permit holder shall report to the Central Government the discovery of any mineral not specified in the permit within a period of sixty days from the date of such discovery.

Immunity of Central Government from liability to pay compensation:-

(4) If in any event the orders of administering authority are revised, reviewed or cancelled by the Central Government in pursuance of proceedings under Chapter XI of the Offshore Areas Mineral Concession Rules, 2006 the permit holder(s) shall not be entitled to compensation for any loss sustained by the permit holder(s)in exercise of the powers and privileges conferred upon him/them by these presents.

(5) The permit deed is executed at———————(Name of the District and State) and subject to the provisions of article 226 of the Constitution of India, it is hereby agreed upon by the permit holder(s) and the Central Government that in the event of any dispute in relation to the area under reconnaissance permit and condition of the permit deed and in respect of all matters touching the relationship of the permit hoider(s)and the Central Governme.it, suits or petitions shall be filed in civil courts at———————————(name of the city) and it is hereby expressly agreed that neither party shall file a suit or appeal or bring any actions at any place other than courts named above.

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SCHEDULE -A

The offshore area covered .by **the** permit

(Here insert the exact location of the offshore area by clearly indicating the latitudes and longitudes of the offshore area covered under the permit.)

SCHEDULE B
Consideration for Reconnaissance Permit

(Here specify the amount of consideration and manner and time of payment.)

FORM E
[See rule 12(1)]

(**Register of applications for Reconnaissance Permits**)

1. Serial No.
2. -Date of application of Reconnaissance Permit.
3. Date on which application was received by the Receiving Officer.
4. Name of the applicant with full address.
5. Latitude and longitude covering the area applied.

6. Number of standard blocks covered by applied area .....
7. Particulars of the minerals which the applicant desires to explore.
8. Remarks.
9. Final disposal of the application together with number and date of the order.
10. Signature of the Officer

FORM F

[See rule 12(2)]

(Register of Reconnaissance Permits)

1. Serial number.
2. Name of the permit holder.
3. Residence with complete address of the permit holder.
4. Date of application.
5. Date on which application was received by the Receiving Officer.
6. Latitude and longitude covering the area applied.
7. The details of the offshore area and the minerals for which the applicant holds reconnaissance permit on the basis of information supplied by the permit holder (number of standard blocks).
8. Total offshore'area for which permit granted.
9. (a) Number and date of grant of the permit.
   (b) Date of execution of reconnaissance permit deed.
10. The mineral or minerals for which reconnaissance permit has been granted.
11. Period for which granted.
12. Amount of security deposit.
13. Particulars of disposal or refund of security deposit.
14. Date of application for exploration licence or production lease (if any).
15. Date(s) of expiry or cancellation of permit or grant of exploration licence or production lease.
16. Date (s) from which the area is available for regrant.
17. Remarks.
18. Signature of the Officer.

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FORM G
[See rule 13(1)]

GOVERNMENT OF INDIA
(Application for Exploration Licence)

Received
at.....(place)
on.....(date)
Initial of Receiving Officer

Dated day of 20....

To
Administering Authority

Sir,

I/We request that an exploration licence under the Offshore Areas Mineral Concession Rules, 2006 be granted to me/us.

2. The required particulars are given below:-'

(i) Name of the applicant with complete address.

(ii) Is the applicant a private individual / private company / public company .' firm or association?

(iii) In case applicant is:

(a) an individual, his nationality,

(b) a company, an attested copy of the certificate of registration of the company shall be enclosed,

(c) firm or association, the nationality of all the partners of the firm or members of the association.

(iv) Profession or nature of business of applicant

(v) (a) Number and date of the valid clearance certificate of payment of mining dues (copy attached).

(b) If on the date of application the applicant does not hold a exploration licence, it should be stated whether an affidavit to this effect has been . furnished to the satisfaction of the administering authority.

(vi) Mineral or minerals which the applicant intends to explore.

(vii) Period for which the exploration licence is required.

(viii) Extent of the area the applicant wants to explore.

(ix) Details of the area in respect of which exploration licence is required (latitude and longitude covering the offshore area applied be indicated).

(x) An affidavit, that the up-to-date income tax returns, as prescribed under the Income Tax Act, 1961 (43 of 1961), have been filed, and tax due, including the tax on account of self-assessment has been paid.

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(xi) Particulars of the areas mineral-wise within the jurisdiction of the Central Government for which the applicant or any person joint in the interest with him:

(a) already holds under exploration .licence,

(b) has already applied for but not granted,

(c) being applied for simultaneously.

(xii) Nature of joint interest, if any.

(xiii) If the appiicant intends to supervise the works, his previous experience of exploration and production should be explained; if he intends to appoint a manager, the name of such manager, his qualifications, nature and extent of his -previous experience should be specified and his consent letter should be attached.

(xiv) Financial resources of the applicant.

(xv) In case the applicant was holding a reconnaissance permit over the applied area, the details of such permit.

(xvi) Any other particulars which the applicant wishes to furnish.

I/We do hereby declare that the particulars furnished above are correct and am/are ready to furnish any other details, as may be required by you.

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Yours faithfully,
(Signature and designation of the applicant)

Place
Date

Note: 1. If the application is signed by an authorised agent of the applicant, Power of Attorney should be attached.

2. The application should relate to one compact offshore area only

FORM H

[See rule 13(1)3

GOVERNMENT OF INDIA

(Application for renewal of Exploration Licence)

Received
at . . . . . .(place)
on. . . . . .(date)
Initial of Receiving Officer

Dated day of 20….

To

Administering Authority

Sir,

I/We request for renewal of my/our exploration licence under the Offshore Areas Mineral Concession Rules, 2006.

2. The required particulars are given below: -

(i) Name of the applicant with complete address.

(ii) Is the applicant a private individual/private company/public company/firm or association?

(iii) In case applicant is:

(a) an individual, his nationality,

(b) a company, an attested copy of the certificate of registration of the company shall be enclosed,

(c) firm or association, the nationality of all the partners of the firm or members of the association.

(iv) Profession or nature of business of applicant.

(v) Number and date of the valid clearance certificate of payment of mining dues (copy enclosed).

(vi) An affidavit, that up-to-date income tax returns, as prescribed under the Income Tax Act, 1961 (43 of 1961), have been filed and the tax due, including the tax on account of self-assessment has been paid.

(vii) (a) Particulars of the exploration licence of which renewal is desired.

(b) Details of previous renewal/renewals granted, if any.

(viii) Reasons in detail for asking for renewal of exploration licence along with a report on the exploration already done.

(ix) Period for which renewal of exploration licence is desired.

(x) Whether renewal is desired for the whole or part of the area held under exploration licence.

(xi) In case the renewal applied for is only for part of the area held under exploration licence.

(a) the area applied for renewal (give latitudes and longitudes covering the area).

(xii) Particulars of the area mineral-wise within the offshore areas supported by an affidavit for which the applicant or any person jointly in interest with him-

(a) already holds under exploration licence;

(b) has already applied for but not granted;

(c) being applied for simultaneously.

(xiii) Any other particulars which the applicant may wish to furnish.

I/We do hereby declare that the particulars furnished above are correct and am/are ready to furnish any other details, including accurate plans, as may be required by you.

Yours faithfully,
Signature and designation of
the applicant

Place
Date

3518 GI/2006—20

Note:- ' 1. If the application is signed by an authorised agent of the applicant, Power of Attorney should be attached.

2. The renewal application should relate to one compact offshore area only.

FORM I

[See rule 14(4)]

(Receipt of application for Exploration Licence or Renewal)

GOVERNMENT OF INDIA

Dated day of 20....

S.No.

Received the application with the following enclosures for an exploration licence / renewal of exploration licence of Shri/Sarvashree.....on.....'20....for offshore area within.....Latitude and.....Longitude.....for exploration of.....(mineral /minerals).

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Enclosures:

Place
Date

Signature and designation
(Seal) of Receiving Officer

FORM J

[See rules 16(1)18(1)(v)(b)]

(Deed of Exploration Licence)

When the transferor is an individual.....The indenture made this.....day of.....20.....between.....(Name of the person with address and occupation) (hereinafter referred to as the "transferor" which expression shall, where the context so admits, be deemed to include his heirs, executors, administrators, representatives and permitted assigns).

When the transferors are more than one individual.....(Name of person with address and occupation) and.....(Name of person with address and occupation) (hereinafter referred to as the "transferor" which expression shall where the context so admits be deemed to include their respective heirs, executors, administrators, representatives and their permitted assigns).

When the transferor is a registered firm.....(Name of the person with address of all the partners) all carrying on business in partnership under the firm name and style of.....(Name of the firm) registered under the Indian Partnership Act, 1932(9 of 1932) and having their registered office at.....(hereinafter referred to as the "transferor" which expression where the context so admits be deemed to include all the said partners, their respective heirs, executors, legal representatives and permitted assigns).

When the transferor is a registered company.....(Name of Company) a company registered under.....(Act under which incorporated) and having its registered office at.....(Address)(hereinafter referred to as the "transferor" which expression shall where the context so admits be deemed to include its successors and permitted assigns) of the first part.

And

And when the transferee is an individual.....(Name of person with the address and occupation) (hereinafter referred to as the "transferee" which expression shall where the context so admits be deemed to include his heirs, executors, administrators, representatives and permitted assigns.).

When the transferees are more than one individual.....(Name of the person with address and occupation) and.....(Name of person with address and occupation)(hereinafter referred to as the "transferee" which expression shall where the context so admits be deemed to include their respective heirs, executors, administrators, representatives and their permitted assigns).

When the transferee is registered firm.....(Name and address of all the partners all carrying on business in partnership under the firm name and style of).....(Name of the firm) registered under the Indian Partnership Act, 1.932 (9 of 1932) and having their registered office at.....(hereinafter referred to as the "transferee" which expression where the context so admits be deemed to include all the said partners, their respective heirs, executors, legal representatives and permitted assigns).

When the transferee is registered company.....(Name of the Company) a company registered under (Act under which incorporated) and having its registered office at.....(Address) (hereinafter) referred to as the "transferee" which expression shall where the context so admits be deemed to include its successors and permitted assigns) of the second part.

And

The President of India.....(hereinafter referred to as the "Central Government" which, expression shall where the context so admits be deemed to include the successors and assigns) of the third part.

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Whereas by virtue of an indenture of exploration licence dated the.....and registered as No.....on.....(date) in the office of Sub-registrar of.....(place) (hereinafter referred to as licensor) the original whereof is attached hereto and marked 'A' entered into between the Central Government (therein called the licensor) and the transferor (therein called the licensee), the transferor is entitled to search for, minerals in respect of.....(Name of minerals) in the offshore areas described in Schedule thereto and also in Schedule annexed hereto for the term and subject to the payment of the exploration and others fees, royalties and observance and performance of the licensee's covenant and conditions in the said deed of licence reserved and contained including a covenant not to assign the licence or any interest thereunder without the previous sanction of the Central Government.

And whereas the transferor is now desirous of transferring and assigning the licence to the transferee and the Central Government has, at the request of the transferor, granted permission to the transferor vide order No.....dated.....to such a transfer and assignment of the licence upon the condition of the transferees entering into'an agreement is and containing the terms and conditions hereinafter setforth.

Now this Deed Witnesseth as follows:

1. The transferee hereby convenants with the Central Government that from and after the transfer and assignment of the licence, the transferee shall be bound by, and be liable to perform, observe and conform and be subject to all the provisions of all the covenants, stipulations and conditions contained in said hereinbefore recited licence in the same manner in all respects as if the licence had been granted to the transferee as the license thereunder and he had originally executed it as such.

2. It is further hereby agreed and declared by the transferor of the one part and the transferee of the other part that

   (i) The transferor hereby declares that he has not assigned subject, mortgaged or in any other manner transferred the exploration licence now being transferred and that no other person or persons has any right, title or interest where under in the present exploration licence being transferred.

   (ii) The transferor further declares that he has not entered into or made any agreements, contract or understanding whereby he had been or is being directly or indirectly financed to a substantial extent by or under which the transferor's operation or understandings were or are being substantially controlled by any person or body of persons other than the transferor.

   (Hi) The transferee hereby declares that he/she has accepted all the conditions and liabilities which the transferors was having in respect of such exploration licence.

   (iv) The transferee further declares that he is financially capable of and will directly undertake exploration operation.

   (v) The transferee further declares that he has filed an affidavit stating that he has filed up-to-date income tax returns, paid the income tax assessed on him

and paid the income tax on the basis of self-assessment as provided in the Income Tax Act, 1961, (43 of 1961).

(vi) The transferor has supplied to the transferee the original or certified copies of all plans of exploration.

(vii) The transferee hereby further declares that as a consequence of this transfer, the total area while held by him under mineral concessions are not in contravention of the Offshore Areas Regulation and Development Act, 2002 (17 of 2003) or the Offshore areas Mineral Concession Rules, 2006 made thereunder.

(viii) The transferor has paid all the exploration fees, royalties, and other dues towards Government till the date, in respect of this licence.

In witness whereof the parties hereto have signed on the, date and year first above written.

SCHEDULE

Location and area of the licence

Offshore area covered between.....latitude.....longitude

Signed by

for and on behalf of the Central Government in the presence of

1.

2.

Signature of Transferor in the presence of witnesses

1.

2.

Signature of transferee in the presence of

1.

2.

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FORMK

[See rule 19(2)]

(Deed of Exploration Licence)

When the licensee is an individual

THIS INDENTURE made this.....day of.....20 between the President of India (hereinafter referred to as the Central Government' which expression shall where the context so admits be deemed to include his successors and assigns) of the one part and.....(name of person with address and occupation) (hereinafter referred to as "the licensee" which expression shall where the context so admits be deemed to include his heirs, executors, administrators, representatives and permitted assigns).

When the licensees are more than one individual

.....(Name of person with address and occupation) and.....(Name of person with addresses and occupation) (hereinafter referred to as "the licensees" which expression shall, where the context so admits, be deemed to include their respective heirs, executors, administrators, representatives and their permitted assigns).

When the licensee is a registered firm

.....(Name and address of partner) son of.....of..... .....son of.....of.....son of.....of.....all carrying on business in partnership under the firm name and style of (name of the firm) registered under the Indian Partnership Act, 1932 (9 of 1932) and having their registered office at.....in the town of.....(hereinafter referred to as "the licensees" which expression shall, where the context so admits be deemed to include all the said partners, their respective heirs, executors, legal representatives and permitted assigns).

When the licensee is a registered company

.....(Name of company) a company registered under.....(Act under which incorporated) and having its registered office at.....(Address) (hereinafter referred to as "the licensee" which expression shall, where the context so admits be deemed to include its successors and permitted assigns) of the other part.

WHEREAS the licensee/licensees has/have applied to the Central Government in accordance with the Offshore Areas Mineral Concession Rules, 2006 (hereinafter

referred to as the said Rules) for a licence to explore for……in the offshore areas specified in Schedule A (hereunder referred to as the said offshore areas) and has/have deposited with the Central Government the sum of Rs……as prescribed security according to sub-rule (1) of rule 21 in respect of such licence and has/have paid to the Central Government the sum of Rs……as the exploration charges for ……months/years in advance in respect of such licence and WHEREAS there is no objection to the grant of such licence and WHEREAS the Central Government has approved the grant of this licence NOW THESE PRESENTS WITNESS as follows:

PART -1

In consideration of the security, covenants and agreements hereinafter reserve and contained and on the part of the permit holder(s) to be paid, observed and performed, the Central Government hereby grants and demises into the licensee/licensees the sole rights and licence.

To enter upon the offshore areas and to search for, win or carry away and dispose of minerals won.

(1) To enter upon the said offshore areas and to search for by quarrying, boring and digging or otherwise all or any……(Name. ...of minerals) lying or being within under or throughout the said offshore area;

To win and carry away for purposes other than commercial purposes -

(a) any quantity of such minerals as specified in the Schedule to these rules, without any payment;

(b) any quantity of such minerals exceeding such limits but not exceeding twice such limits, which is won during exploration operations on payment of royalty for the time being specified in the First Schedule to the Act;

(c) With the written approval of the Central Government, the licensee may carry away quantities of minerals in excess of twice as specified in the » Schedule annexed to these rules, on payment of royalty for the time being specified in the Second Schedule to the Act, for chemical, metallurgies. ore-dressing and other test purposes.

To bring upon and erect machinery etc. on the said offshore areas:

(2) To erect and bring upon the said offshore areas all such temporary structures, engines, machinery and conveniences, chattels and effects as shall be proper and necessary for effectually carrying on the exploration operations hereby licenced or for the workmen employment thereon.

RESERVED nevertheless to the Central Government full power and liberty at all times to enter into and upon and to grant or demise to any person or persons

whomsoever liberty to enter into and upon the said offshore areas for all or any purposes other than those for which sole rights and licence are hereby expressly conferred upon the licensee/licensees and particularly (and without hereby in any way qualifying such general power and liberty) to make on, over or through the said offshore areas, such pipelines, tramways and ropeways as shall be considered necessary or expedient for any purposes and to obtain from and out of the said offshore areas such stone, earth or other materials as may be necessary or requisite for making, repairing or maintaining such pipelines, conveyors and ropeways to pass and repass at all times over and along such pipelines, conveyors and ropeways for all purposes and as occasion shall require.

To hold the said right and licence unto the licensee/licensees from the date of these presents for the term of (hereinafter referred to as the said term),

PART- II

Covenants by Licensee/Licensees

The licensee/licensees hereby covenants/covenant with the Central Government as follows:-

Payment of exploration charges

(1) " To pay annually in advance an exploration charges in respect of ensuing year or part of the year at such consideration and time as are specified in Schedule B hereunder:

Paying therefor annually in advance a sum of Rs.……being the exploration charges for each year or portion of a year and immediately on the expiration of sooner determination of the said term clear of all dues, deductions and royalty at the rates specified in Schedules B and C hereunder written on the minerals won and carried away by the licensee/licensees during the said terms.

Payment and rates of royalty

(2) To pay royalty *to* the Central Government at such rates and at such time as are specified in Schedule B hereunder written provided that the licensee/licensees shall be entitled to carry away free of royalty not more than…….for experimental purposes.

To carry on work in workman-like manner

(3) To work and carry on the operations hereby licensed in a fair orderly skilful and workman-like manner and with as little damage as may be to the surface of the sea bed, structures or properties and the marine life including the fishery resources.

Maintenance of correct accounts

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(4) Licensee/licensees shall maintain a correct and faithful account of all the expenses incurred by him/them on exploration operations and also the quantity and other particulars of all minerals obtained during such operations and their despatch.

Indemnify Government against all claims.

(5) To make reasonable satisfaction and pay such compensation as may be assessed by lawful authority in accordance with the law in force on the subject for all damage, injury, or disturbance which may be done by him in exercise of the powers granted by this licence and to indemnify and keep indemnified fully and completely the Central Government against all claims which may be made by any person or persons in respect of any such damage, injury or disturbance and all costs and expenses in connection therewith.

(6) To pay a wage not less than the minimum wage prescribed by the appropriate Government from time to time.

(7) To take measures, at his own expense, for the protection of marine environment as may be prescribed by the Central Government from time to time.

Forfeiture of security deposits, etc

(8) Whenever the security deposit of Rs.....or any part thereof of any further sum hereafter deposited with the Central Government in replenishment thereof shall be forfeited or applied by the Central Government. Pursuant to the power hereinafter declared in that behalf the licensee/ licensees shall forthwith deposit with the Central Government such further sum as may be sufficient with the unappropriated part thereof to bring the amount in deposit with the Central Government up to the sum of Rs.....

Licensee not to be controlled by trust, syndicate, etc.

(9) The licensee/licensees shall not be controlled or permit himself/themselves to be controlled by any trust, syndicate corporation, firm or person except with the written consent of the Central Government.

Report of accident

(10) The licencee/licensees shall without delay send to the Administering Authority and Naval Headquarters/Chief Hydrographer to the Government of India report of any accident causing death or serious bodily injury or serious injury to property or seriously affecting or endangering life or property which may occur in the course of the operations under this licence.

Sections 20 and 35 of the Offshore Areas Mineral (Development and Regulation) Act, 2002 (17 of 2003):

(11) The licensee/licensees shall be bound by such rules as referred to in section 20 or as may be issued by the Central Government under section 35 of the Offshore Areas (Regulation and Development)"Act, 2002 (17 of 2003) and .shall not carry on exploration or other operations under the said licence in any way other than as prescribed under these rules.

To provide for weighing or measurement of material won:

(12) At such times and occasions as may be required the licensee/licensees shall well and truly measure or weigh or-cause to be measured or weighed upon some part of the said offshore areas all minerals from time to time won from the said offshore areas by the licensee/licensees and all such minerals as may require to be measured or weighed for the, purpose of ascertaining the royalty payable under these presents shall be so measured or weighed. The licensee/licensees agrees/agree not to take away from the said offshore areas any minerals so won until the same shall have been measured or weighed as the case may be. The licensee/licensees further agrees/agree to give.....days previous notice in writing to the Administering Authority of every such measuring or weighing in order that he or some person on his behalf may be present thereat.

Removal of machinery, etc. after expiration, determination of abandonment:

(13) Upon the expiration or sooner determination of this licence or the abandonment of the operations hereby licensed, whichever shall first occur, the licensee/licensees shall remove expeditiously at his/their own cost all structures, plant, engines machinery implements and other property and effects theretofore, erected or brought by the licensee/licensees and then standing; or being upon the said offshore areas and also all minerals theretofore won by the licensee/licensees under the authority of these presents and then being upon the said offshore areas provided that this covenant shall not apply to any part of the said offshore areas which may be comprised in any production lease granted to the licensee/licensees during the subsistence of this license.

Report of work done before the refund of security deposits:

(14) At any time before the said security deposit is returned to him/them or transferred to any other account or within one month after the expiration or sooner determination of the licence or abandonment of the operations whichever is earlier, the licensee/licensees shall submit to the Central Government confidentially a full report of the work done by him/them and disclose all information acquired by him/them in the course of the operations

carried on under this licence regarding the geology and mineral resources of the area covered by the licence.

Report of information obtained by Licensee;

(15) (1) The licensee shall submit to Central Government (Indian Bureau of Mines):

(a) a quarterly report of the work done by him stating the number of persons engaged and disclosing in full the geological, geophysical, or other valuable data collected by him during the period. The report shall be submitted within three months of the close of the period to which it relates;

(b) within three months of the expiry of the licence, or abandonment of. operations or termination of the licence, whichever is earlier, a full report of the work done by him and all information relevant to mineral resources acquired by him in the course of exploration operations in the area covered by the licence.

(2) While submitting reports under clause (1), the licensee may specify that the whole or any part of the report or data submitted by him shall be kept confidential and the Central Government shall thereupon keep the specified portions as confidential for a period of two years from the expiry of the licence, or abandonment of operations of termination of the licence, whichever is earlier.

Employment of foreign nationals:

(16) The licencee/licensees shall not employ, in connection with the exploration operation any person who is not an Indian National except with the previous approval of the Central Government.

Furnishing of all offshore

(17) The licensee/licensees shall furnish:

(a)a geological, geophysical, geochemical, geotechnical, bathymetry, current salinity, temperature or any other data including anomaly maps, charts, sections, geomprphological maps, core logs, underwater photographs etc. collected during the course of reconnaissance to the Director General, Geological Survey of India, Kolkata.

(b) all information pertaining to'investigations of radio active minerals collected by him/them during the course of exploration operations to the Secretary to the Department of Atomic Energy, New Delhi.

Data or information referred to above shall be furnished every year reckoned from the date of commencement of the period of the exploration licence.

Entry, inspection, search and seizure:

(18) To allow authorities of the Coast Guards, Ministry of Defence including officers of Indian Navy and officers of other concerned Central Government Departments authorised by the administering authority to enter, inspect, search in the said offshore area to ascertain compliance of various Acts and rules applicable to offshore operations and to prevent smuggling to ensure national security. Said authorities or officers shall also be allowed to seize any document, material, weapon etc! found during the search.

To comply with International Laws:-

(19) To comply with all international conventions or treaties to which Government is a party and the laws and customs governing the High Seas and with all laws and regulations/instructions and orders issued by the Government for the protection of navigation, aircraft, fishing and fisheries

To prevent danger to shipping:-

(20) To ensure that the equipments/vessels deployed for the purpose are so placed, marked, buoyed and lighted as not to constitute a danger to shipping

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Not to cause interference in Navigation:-

(21) To ensure that no interference shall be caused to recognised sea lanes essentia! to International navigation, without the prior concurrence of the Central Government

To prevent pollution of the Sea:-

(22) To.take all practical measures including the provision of modern equipment to ensure that no liquid waste is discharged into the sea during exploration operations in the sea bed and subsoil of the area and in the case of such discharge to take all reasonable steps to stop or reduce the same and to prevent the pollution of the sea by discharge of liquid waste

No mining operations within 500 mtrs. distance from any installation of a petroleum concessions and known underwater archeological sites of importance.

(23) Not to carry out any mining or excavation activities within a horizontal distance of 500 mtrs. from any platform, erect, pumping station, pipeline that has been erected by a petroleum concession holders

Facilities for holders of Government Licenses or Leases for access:-

(24) The licensee shall allow existing and future holders of Government permits or licenses or leases over any area which is comprised in or adjoins, or is reached by the areas held by the Licensee, reasonable facilities of access thereto provided that no substantial hindrance or interference shall be caused by such holders of permits or licenses or leases to the operations of the Licensee under these presents

PART - III

Powers of the Centra! Government

It is hereby agreed as follows:-

Cancellation of the licence and forfeiture of the deposit in case of breach of conditions:

(1) In the case of any breach of any condition of the licensee/licensees or his transferees or assignees, the Central Government shall give a reasonable opportunity to the licensee/licensees of stating him/their case and where it is satisfied that the breach is such as cannot be remedied, on giving thirty days notice to the licensee/licensees or his transferees or assignees, determine the licence and or forfeit the whole or any part of the said deposit of Rs.....,. deposited under the covenants in that behalf as the Central Government may deem fit. In case the Central Government considers the breach to be of a remediable nature, it shall give notice to the licensee/licensees or his transferees or assignees as the case may be requiring him/them to remedy the breach within thirty days from the date of receipt of the notice informing him of the penalty proposed to be inflicted if such remedy is not made within such period.

Application of security to payment of compensation:

(2 The Central Government may from time to time appropriate and apply the said deposit of Rs.....or any part thereof or any further sum deposited under any covenants in that behalf hereinbefore contained in or towards payment or satisfaction of any claims to compensation which the Government has or may have against the licensee/licensees and/or which may be made by any person or persons against the licensee/licensees and/or the Central Government in respect of any damage or injury done by the licensee/licensees in exercise of any of the powers conferred by this licence and in or towards payment of any damages, costs or expenses which may become payable as the result of or in connection with any suits

or proceedings which may be instituted against the Central Government in respect of any'such damage or injury and also in or towards payment of the expenses of the carrying out or performance of any works or matters which the licensee/licensees shall fail to carry out or perform after the expiry or sooner determination of this licence or the abandonment of the operations hereby licensed in 'accordance with the covenants in that behalf hereinbefore contained or in payment or satisfaction of any such claims, damages, costs and expenses.

When the properties of licensee are not removed from the offshore area in time:

(3) If any structures, plants, engines, machinery, implements or other property or effects or any minerals which ought to be, removed by the licensee/licensees from the said offshore area, in accordance with the covenant in that behalf hereinbefore, contained, be not so removed within one calendar month after notice in writing requiring their removal shall have been given to the licensee/licensees by the Central Government, the same shall be deemed to become the property of the Central Government and may be sold or disposed of for the benefit of the Central Government in such manner as the Central Government shall deem fit, without any liability to pay any compensation or to account to licensee/licensees in respect thereof.

Licensee/licensees to pay for work clone on his behalf:

(4) If any of the works or matters which in accordance with the covenants in that behalf hereinbefore contained are to be carried out or performed by the licensee/licensees, be not so carried out or performed within the time specified in that behalf, the Central Government may cause the same to be carried out or performed and the licensee/licensees shall pay the Central Government on demand all expenses which shall be incurred in such carrying out or performance of the same.

Right of pre-emption :-

(5) (a) The Central Government shall from time to time and at all times during the said term have the right (to be exercised by notice in writing to the licensee/licensees) of pre-emption of the said minerals (and/all products thereof) lying in or upon the said offshore area or elsewhere under the control of the licensee/licensees and the licensee/licensees shall with ail possible expedition deliver ail minerals or products or minerals purchased by the Central Government under the power conferred by this provision in the quantities at the time in the manner and at the place specified in the notice exercising the said right.

(b) Should the right of pre-emption conferred by this present provision be exercised and a vessel chartered to carry the minerals or products thereof procured on behaff of the Central Government be detained on

demurrage at the port of loading, the licensee/licensees shall pay the amount due for demurrage according to the terms of the charter party of such vessel unless the Central Government shall be satisfied that the delay is due to cause beyond the control of the licensee/licensees

(c) The price to be paid for all minerals or products of minerals taken in pre-emption by the Central Government in exercise of the right hereby conferred shall be the fair market price prevailing at the time of pre-emption, provided that in order to assist in arriving at the said fair market price the licencee/licensees shall if so required furnish to the Central Government for the confidential information of the Government, particulars of the quantities, descriptions and prices of the said mineral or products thereof sold to other customers and of charters entered into for freight for carriage of the same and shall produce such officer or officers as may be directed by the Central Government original or authenticated copies of contracts and charter parties entered into for the sale of freightage of such minerals or products.

. (d) In the event of the existence of a Central of war or emergency (of which existence the President of India shall be the sole judge and a notification to this effect in the Gazette of India shall be conclusive proof) the Central Government shall from time to time and at all times during the said term have the right (to be exercised by a notice in writing to the licensee/licensees) forthwith take possession and control of the works, plant, machinery and premises of the licensee/licensees on or in connection with the said offshore area or the operations under this licence and during such possession or control, the licensee/licensees shall conform to and obey all directions given by or on behalf of the Central Government regarding the use of employment of such works, plants, premises and minerals, provided also that fair compensation, which shall be determined in default of agreement by the Stale Government shall be paid to the licensee/licensees for all loss or damage sustained by him/them by reason or in consequence of the exercises of the powers conferred by this clause and provided that the exercise of such powers shall not determine the said term hereby granted or affect the terms and provisions of these presents further than may be necessary to give effect to the provisions of this clause.

Power of Government to work for petroleum and natural gas:-

\Q) The Central Government has power to authorise any other licensee/lessee or person in its behalf to enter into and upon the said area and to search for, dig, raise and carry away petroleum and natural gas and for these purposes to sink, drive, erect, construct, maintain and use such plant, installations, pipelines, waterways, engines, machinery, plant and conveniences as may be deemed necessary provided that in the exercise of such power no substantial hindrance or interference shall be caused to the rights of the licensee under these presents and that fair compensation shall be made to

the licensee for the loss/damage sustained by the licensee by reasons or in consequence of the exercise of such power

To *Grant permission to lay pipelines in the licensed area:-*

(7) Government has power to grant and demise to any other licensee/lessee the power to enter into and upon the said areas and to lay pipelines or install pumping station for the purposes of extracting petroleum or natural gas by any other licensee/lessee duly authorised by the Central Government provided that as little interference as possible should be caused by the lessee/licensee of the petroleum/natural gas to the operations of the licensee under these presents.

To impose other necessary restrictions:-

(8) That exercise of any of the powers reserved by this part shall be in accordance with such restrictions and conditions as the Central Government may by general or special order from time to time specified.

PART - IV

Rights of licensee/licensees

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It is hereby further agreed as follows; -

Transfer of licence and fee payable:

(1) During the subsistence of this licence or of any renewal there of the licensee/licensees may, with the previous sanction of the Central Government, transfer his/their licence or any right, title or interest therein to a person who has filed an affidavit stating that he has filed up-to-date income tax returns, paid income tax assessed on him and paid the income tax on the-basis of self-assessment as provided in the Income-tax Act, 1961 (43 of 1961), provided that the Central Government shall, not give its sanction unless -

(i) the licensee has furnished an affidavit along with his application for transfer of the exploration licence specifying therein the amount that he has already taken or proposes to take as consideration from the transferee;

d

(ii) the transfer of the exploration licence is to be made to a person or body directly undertaking exploration operations.

Renewal of Exploration Licence:-

(2) If the licensee/licensees be desirous of taking a renewed licence of the premises hereby demised or of any parts of that for a further term from the expiration of the term hereby granted and is otherwise eligible, he/they shall apply to the Central Government for renewal at least prior to the date of

expiration of the term of licence under these convenient and shall pay the rents and royalties hereby reserved and shall observe and perform the several covenants and agreements herein contained and on the part of licensee/licensees to be observed and performed up to the expiration of the term hereby granted. The Government on receipt of the application for renewal shall consider it in accordance with relevant sections of the Act and relevant rules of the Offshore Areas Mineral Concession Rules, 2006 and shall pass such orders as it may deem fit. If renewal is granted the Ceritral Government will at the expense of the licensee/licensees and upon his/their executing and delivering to the Central Government, if required, the counterpart thereof, execute and. deliver to the licensee/licensees the renewed licence of the safe premises or part thereof for a further term of..... years at such rates of royalty and on such terms and subject to such convenants and agreements including this present covenant be renewed and shall in accordance with the Offshore Areas Mineral Concession Rules, 2006 applicable.....……(names of minerals) on the day next following the expiration of the term hereby granted.

Preferential right of the licensee/licensees for obtaining production lease:

(3) On or before the determination of the licence or any renewal thereof, the licensee/licensees shall have a preferential right for obtaining a production lease in respect of whole or part of that offshore area over any other person, provided that the Central Government is satisfied that the licensee/licensees has/have not committed any breach of the terms and conditions of the exploration licence, has undertaken exploration operations to establish mineral resources in such offshore area and is otherwise a fit person for being granted the production lease.

Refund of deposit:

(4) On such date within six calendar months after the determination of this licence or of any renewal thereof, as the Central Government shall elect after compliance by the licensee/licensees of rule 20 of Offshore Areas Mineral Concession Rules, 2006, the amount then remaining in deposit with the Central Government and not required to be applied to any of the purposes in Part III of these presents mentioned, shall be refunded to the licensee/licensees or if the licensee/licensees shall have obtained a production, lease over the said offshore areas or any portion thereof, be retained at the credit of the licensee/licensees on account of the fees, rents and royalties to become payable under such lease. The amount shall in no case carry any interest whatsoever.

PART - V

General Provisions

It is lastly agreed as follows: -

Delay in fulfilment of the term of licence due to force majeure:-

(1) Failure on the part of the licensee/licensees to fulfil any of the terms and conditions of this licence shall not give the Central Government any claim against him/them or be deemed a breach of the licence in so far as such failure is considered by the Central Government to arise from force majeure. If the fulfillment by the licensee/licensees of any of the terms and conditions of this licence be delayed from force majeure, the period of such delay shall . be added to the period fixed by this licence.

The expression "force majeure" means act of God, war, storm, lightning, explosion, fire, earthquake and any other happening which the licensee/licensees could not reasonably prevent or control.

Service of notices:

(2) Every notice required to be given to the licensee/licensees shall be given in writing to such person as the licensee/licensees may appoint for the purpose of receiving such notices or if no such appointment is made then the notice shall be sent to the licensee/licensees by registered post addressed to him/them at the address shown in his/their application for the licence or a+ such other address in India as he/they designate from time to time and every such service shall be deemed to be proper and valid service upon the licensee/licensees and shall not be questioned or challenged by him.

Discovery of new minerals:

(3) The licensee shall report to the Central Government the discovery of any mineral not specified in the licence within a period of sixty days from the date of such discovery and shall not undertake any exploration operations in respect of such mineral unless such mineral is included in the licence.

Immunity of Central Government from liability to pay compensation:

(4) If in any event the orders of the administering authority are revised, reviewed or cancelled by the Central Government in pursuance of proceedings under Chapter XI of the Offshore Areas Mineral Concession Rules, 2006, the licensee/licensees shall not be entitled to compensation for any loss sustained by the licensee/licensees in exercise of the powers and privileges conferred upon him/them by these presents.

IndiaCode

(5) The licence deed is executed at .....(place).....(Distt.) .....(State) and subject to the provision of article 226 of. the Constitution of India it is hereby agreed upon by the licensee and the Central Government that in the event of any dispute in relation to the area under exploration licence condition-of the licence deed and in respect of all matters touching the relationship of the licencee and the Central Government, suits of petitions shall be filed in civil courts at..... (name of the city) and it is hereby expressly agreed that neither party shall file a suit or appeal or bring any actions at'any place other than the courts named above.

IN WITNESS WHEREOF these preseiits have been executed in the manner hereunder appearing the day and year first above written.

SCHEDULE A

The offshore areas covered by the licence

(Give latitudes and longitudes of the offshore area covering the licensed area.)

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SCHEDULE B

Exploration Charges

(Here specify theamountof exploration charges and the manner and time of payment)

SCHEDULE C

Royalty

1. Rates of royalty on minerals shall be in accordance with the First Schedule to the Act.
2. (a) Here insert the mode of computation of royalty of mineral/minerals.
   (b) The manner and time of payment of royalty

***rmm* L**

[See rule 22(1)]

(**Register of applications for Exploration Licences**)

1. Serial No.
2. Date of application of Exploration Licence.
3. Date on which application was received by the Receiving Officer.

4. Name of the applicant with full address.
5. Situation and boundaries of the offshore areas applied for (give latitude and longitude covering the offshore area).
6. Particulars of the minerals which the applicant desires to explore.
7. Remarks.
8. Final disposal of the application together with number and date of the order.
9. Signature of the Officer

FORM M

[See rule 22(2)]

Register of Exploration Licences

1. Serial number.
2. Name of the licensee.
3. Residence with complete address of the licensee.
4. Date of application.
5. Date on which application was received by the Receiving Officer.
6. Situation of the offshore area.
7. The details of the offshore area and the minerals for which the applicant holds exploration licence on the basis of information supplied by the licensee.
8. Total offshore area for which licence granted.
9. (a) Number and date of grant of the licence.
   (b) Date of execution of exploration licence agreement.
10. The mineral or minerals for which exploration licence has been granted.
11. Period for which granted.
12. Exploration charges and Royalty, if payable.
13. Amount of security deposit.
14. Particulars of disposal or refund of security deposit.
15. Date of application for production lease (if any).
16. Date of assignment or transfer of licence, if any and the name and address of the assignee/transferee.
17. Date of expiry or cancellation of licence or grant of production lease.
18. Date from which the area is available for regrant.
19. Remarks.
20. Signature of the Officer.

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FORM N

[See rule 23(1)(a)]

GOVERNMENT OF INDIA

(Application for Production Lease)

Received
at.....(place)
on.....!..(date)
Initial of Receiving Officer

Dated day of 20....

To
Administering Authority

Sir,

I/We request that a production lease under the Offshore Areas Mineral Concession Rules, 2006 may be granted to me/us.

IndiaCode

2. The required particulars are given below:

(i) Name of the applicant with complete address.

Status of the applicant

(ii) Is the applicant a private individual/co-operative/firm/association /private company/ public company/public sector undertaking/joint sector undertaking or any other.

(iii) In case of the applicant is,-

(a) an individual, his nationality, qualifications and experience relating to production.

(b) a company, an attested copy of the certificate of registration of the company shall be enclosed.

(c) Firm or Association, the nationality of all the partners of the firm or members of the association, and

(d) a co-operative the nationality of non-Indian members, if any alongwith place of registration and a copy of the certificate of registration.

(iv) Profession or nature of business of applicant.

(v) Particulars of documents appended:

Document Reference

(a) Mining dues clearance certificate

OR

(b) Affidavit in lieu of Mining Dues Clearance Certificate; subject to the production of production lease dues, clearance certificate within the period of ninety days of making application.

OR

(c) Affidavit when not holding any production lease.

(d) Affidavit that up-to-date Income Tax Returns as prescribed under the Income-tax Act, 1961(43 of 1961) and that the tax due including the tax on account of self-assessment has been paid.

(vi) Mineral or minerals which the applicant intends to produce.

(vii) Period for which production lease is required,

(viii) Extent of the area for which production lease is required.

(ix) Details of the offshore area in respect of which production lease is required (give latitude and longitude of the offshore area).

(x) Particulars of the offshore area mineral-wise duly supported by an affidavit for which the applicant or any person joint in interest with him.

(a) already holds under production lease;

(b) has already applied for but not granted;

(c) being applied for simultaneously.

(xi) Nature of joint in interest, if any.

(xii) (a) Does the applicant held an exploration licence over the area mentioned at (viii) above? If so, give its number and date of grant and the date when it is due to expire.

(b) Has the applicant carried out the exploration operations over the area held under exploration licence and sent his report to the Central Government, as required by rule 20 of the Offshore Areas Mineral Concession Rules, 2006? If yes, give the date. If not, state reasons for not doing so.

(xiii) Broad parameters of the mineral/ore body/bodies.

(a) Area of occurrence with down depth concentration, water depth of such • occurrence etc.

(b) Strike length, average width and dip.

(c) Whether area is considerably disturbed geologically or is comparatively free of geological disturbance? (copy of geological, map of the area is to be attached.)

(d) Reserves assessed with their grade(s)(chemical analysis reports of representative samples are to be attached).

. (xiv) Broad parameters of the mine

(a) Proposed date of commencement of the production operations.

(b) Proposed rate of mineral production during the first 5 years (year-wise).

(c) Proposed rate of production when mine is fully developed.

'(d) Anticipated life of the mine.

(e) Proposed method of production.

(f) Nature of the offshore area chosen for dumping over burden/waste and tailings and whether proposed site has been shown on the mine working plan. Give also the extent of area set apart for dumping of waste and tailings.

(xv) A report giving the details of exploration carried out in the area together with assessment of the ore reserves, geological plans, results of chemical analysis of the representative samples, and boreholes and logs.

(xvi) Manner in which the mineral raised is to be utilised.

(a) (i) If for captive use, the location of plant and industry.

(ii) For sale for indigenous consumption.

(b) If for exports to foreign countries indicate,

(i) Names of the countries to which it is likely to be exported where the mine is being set up on 100% export oriented or tied-up basis.

,(ii) Whether mineral will be exported in raw form or after processing. Also indicate the stage of processing, whether intermediate stage or final stage of the end-product.

(c), If it is to be used within the country, indicate -

(i) The industry/industries in which it would be used.

(ii) Whether it will be supplied in raw form or after processing (crushing/grinding/beneficiation/calcining).

(iii) Whether it would need upgradation and if so, whether it is proposed to set up beneficiation plant. Also indicate the capacity of such plant and the time by which it would be set up.

(xvii) Name, qualification and experience of the.Technical Personnel available for supervising the mines.

(xviii) (i) Financial resources .of the applicant.

(ii) Anticipated yearly financial investment during the course of mine; construction and aggregate investment upto the stage of commencement of commercial production.

(xix) (a) Nature of waste(e.g. whether acidic); If so, expected pH value.

(b) The application form should be accompanied by a statement of the salient features of the scheme of production. This should be generally

on the lines of the "Project at a Glance" given in a feasibility report including features relating to the protection of environment.

I/We do hereby declare that the particulars furnished above are correct and am/are ready to furnish any other details including accurate plans and security deposit, as m§y be required by you..

Place
D te.. . . . . .Yours faithfully,

Signature of the applicant

Note:- 1 If the application is signed by an authorised agent of the applicant, then The Power of Attorney should be attached.

1. The application should relate to one compact offshore area only.

FORM O

[See rule 23(1)(b)]

GOVERNMENT OF INDIA

(Application for Renewal of Production Lease)

Received
at . . . . . .(place)
on. . . . . .(date)
Initial of Receiving Officer

Dated day of 20….

To
Administering Authority

I/We request for renewal of my/our production lease under the Offshore Areas Mineral Concession Rules, 2006.

2. The required particulars are given below: -

(i) Name of the applicant with complete address.

(ii) Is the applicant a private individual/private company/public company/firm or association?

(iii) In case applicant is:

(a) an individual his nationality,

(b) a company, an attested copy of the certificate of registration shall be enclosed.

(c) a firm or association, the nationality of all the partners of the firm or members of the association.

(iv) Profession or nature of business of applicant.

(v) No. and date of the valid clearance certificate of payment of mining dues (copy enclosed).

(vi) An affidavit, that up-to-date Income Tax returns, as prescribed under the Income-tax Act, 1961 (43 of 1961), have been filed, and the tax due, including the tax on account of self-assessment has been paid.

(vii) (a) Particulars of the production lease of which renewal is desired.

(b) Details of previous renewal granted, if any.

(viii) Period for which renewal of production lease is required. >

(ix) Whether renewal is applied for the whole or part of the leasehold.

(x) Particulars of the offshore areas mineral-wise duly supported by affidavit for which the applicant or any person joint in interest with him.

(a) already holds under production lease;

(b) has already applied for but not granted; or

(c) being applied for simultaneously. ®

(xi) A work programme which shall include-

(a) the plan of the offshore area showing the nature and extent of the mineral body, spot or spots where the excavation is to be done and its extent, a detailed cross-section and detailed plan of spot(s) of excavation based on exploration data gathered by the applicant, a tentative scheme of production for five years pf the renewed lease;

(b) the details of geology and lithology of the offshore *(surficiai and subsurface)* area, the extent of manual production and through machines;

(c) annual programme and plan for excavation for five years; and

(d) assessment of impact of production activity on environment includiny air and water pollution, and details of the scheme, use of pollution control environmental protection devices.

(xii) In case the renewal applied for is only for part of the lease hold:

(a) the area applied for renewal,

(b) description of the area applied for renewal (latitudes and longitudes be given);

(xiii) Means by which the production is to be raised, i.e. mechanical or electric power.

(xiv) Manner in which the production raised is to be utilised:

(a) for manufacture in India,

(b) for exports to foreign countries,

(c) in the former case the industries in connection with which it is required, should be specified. In the latter case, the countries to which the mineral will be exported and whether the mineral is to be exported after processing or in raw form should be Central.

(xv) Details of output during the last three years and phased programme for production during the next three years along with a layout plan for development, if any.

(xvi) Any other-particulars which the applicant wishes to furnish.

I/We do hereby declare that the particulars furnished above are correct and am/are ready to furnish any other details, including accurate plans as required by you before the grant of renewal of the lease.

Yours'faithfully,

Signature and designation of the applicant.

Place: .
Date:

Note> 1. If the application is signed by an authorised agent of the applicant, Power o Attorney should be attached.

2. The renewal application should relate to one compact offshore area only.

FORMP

[See rule 24(4)]

IndiaCode

(Receipt of application for Production Lease or Renewal)

GOVERNMENT OF INDIA

Dated day of 20...

S.No.

Received the application with the following enclosures for a production lease / renewal of production lease of Shri/Sarvashree ...:..... on..... 20.... for offshore area within..... latitude and..... longitude for production of..... (mineral / minerals).

Enclosures:

Place
Date

Signature and designation
of Receiving Officer

FORM Q
[See rule 33(1)]

Deed of Production Lease

THIS INDENTURE made this.....day of.....20.....between the President of India (hereinafter referred to as the 'Central Government' which expression shall where the context so admits be deemed to include the successors and assigns) of the one part and.....

When the lessee is an individual

THIS INDENTURE made this.....day of.....20 .... between the President of India (hereinafter referred to as the Central Government' which expression shall where the context so admits be deemed to include his successors and assigns) of the one part and.....(name of person with address and occupation) (hereinafter referred to as "the lessee" which expression shall where the context so admits be deemed to include his heirs, executors, administrators, representatives and permitted assigns).

When the lessees are more than one individual

.....(Name of person with address and occupation) anc j.....(Name of person with address and occupation) (hereinafter referred to as "the lessee" which expression shall, where the context so admits, be deemed to include their respective heirs, executors, administrators, representatives and their permitted assigns).

When the lessee is a registered firm.

.....(Name and address of partner), son of".....of.....son of.....of.....all carrying on business in partnership, under the firm name and style of.....(name of the firm) registered under the Indian Partnership Act, 1932 (9 of 1932) and having their registered office at.....in the town of (hereinafter referred to as "the, licensee" which expression shall, where the context so admits, be deemed to include all the said partners their respective heirs, executors, legal representatives and permitted assigns).

When the lessee is a registered company.

.....(Name of company) a company registered under.....:..$tet under which incorporated) and having its registered office, at.....(Address) (hereinafter referred to as "the lessee" which expression shall, where the context so admits be deemed to include its successors and permitted assigns), of the other part.

WHEREAS THE lessee/lessees has/have applied to the Central Government in accordance with the Offshore Areas Mineral Concession Rules, 2006 (hereinafter referred to as the said Rules) for a production lease for……in respect of the offshore areas described in Part I of the Schedule hereunder written and has/have deposited with the Central Government the sum of Rs.....as security and the sum of Rs……..for meeting the preliminary expenses for a production lease.

WITNESSETH that in consideration of the rents and royalties, covenants and agreements by and in these presents and the Schedule hereunder written reserved and contained and on the part of the lessee/lessees to be paid observed and performed, the Central Government with the approval of the Central Government hereby grants and demises unto lessee/lessees.

All those the mines beds/veins seams of……(here state the mineral or minerals) (hereinafter and in the Schedule referred to as the said minerals) situated lying and being in or under the offshore areas which are referred to in Part I of the said Schedule, together with the liberties, powers and privileges to be exercised or enjoyed in connection herewith which are mentioned in Part II of the said Schedule subject to the restrictions and conditions as to the exercise and enjoyment of such liberties, powers and privileges which are mentioned in Part III of the said Schedule EXCEPT and reserving out of this demise unto the Central Government the liberties, powers and privileges mentioned in Part IV of the said Schedule TO HOLD the premises hereby granted and demised unto the lessee/lessees from the……day..... 20……for the term of……years thence next ensuing YIELDING AND PAYING therefore unto the Central Government the several rents and royalties mentioned in Part V of the said Schedule at the respective times therein specified subject to the provisions contained in Part VI of the said Schedule and the lessee/lessees hereby covenants/ covenant with the Central Government as in Part VII of the said Schedule is expressed and the Central Government hereby covenants with the lessee/lessees as in Part VIII of the said Schedule as expressed AND it is hereby mutually agreed between the parties hereto as in Part IX of the said Schedule is expressed.

IN WITNESS WHEREOF these presents have been executed in manner hereunder appearing the day and year first above written.

The Schedule above referred to.

PART -I

The Area of this Lease

Location and area of the lease:-

Offshore area witn_____latitude and_____longitude hereinafter referred to as "the said offshore area"

PART - II

Liberties, powers and privileges to be exercised and enjoyed by the lessee/lessees subject to the restrictions and conditions in Part III.

To enter upon offshore area and search for, win, work etc:

1. Liberty and power at aii times during the term hereby demised to enter upon the said offshore areas and to search for mine, bore, dig, drill for, win, work, dress, process, convert, carry away and dispose of the said mineral/minerals.

To sift, collect, sink, drive and make, pits and excavate etc:

2. Liberty and power for or in connection with any of the purposes mentioned in this part to sift, collect, sink drive make maintain and use in the said offshore areas and pits waterways and other works (and to use maintain deepen or extent any existing works of the like nature in the said offshore areas).

To bring and use machinery equipment etc:

3. Liberty and power for or in connection with any of purposes mentioned in this part... to erect, construct, maintain and use on or under the said offshore areas any engines, machinery, plant, dressing floors, workshops, store-houses, godowns, and other installations and other works and conveniences of the like nature on or under the said offshore areas.

To install pipeline and haulage system etc:

4. Liberty and power for area in connection with any of the purposes mentioned in this part to install any pipelines, haulage systems or other devices for transportation of minerals within the said offshore areas and to use, maintain and repair such devices on such conditions as may be agreed to.

To use offshore area for stacking, heaping, depositing purposes:

5. Liberty and power to enter upon and use a sufficient part of the surface of the sea bed for the purpose of stacking, heaping, storing or depositing therein any produce of the mines or works carried on and any tools, equipment, earth and materials and substances dug or raised under the liberties and powers mentioned in this part.

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PART - III

Restrictions and Conditions as to the exercise of the Liberties, Powers and Privileges in Part-II.

No structures within certain offshore areas:

1. No structures shall be erected, set up or placed and no offshore operations shall be carried on within any offshore area which is being used or may be used as a regular seaway or a passage for transportation of marine products or the offshore area notified for specified use by the Coast Guard or the Indian Navy. The lessee/lessees shall not interfere with any right of way in such cases.

Permission for offshore operations in virgin areas:

2. Before entering into the virgin offshore areas for production operations, the lessee/lessees shall inform the authorities of the Naval Headquarter and the Coast Guards at least two calendar months before the operations are scheduled to commence, specifying clearly the situation and the extent of the offshore areas proposed to be used for production and the said offshore area shall not be used if objection is issued by authorities of the Indian Navy or Coast Guards within a period of two months. The objections so stated shall on reference to the Central Government may be annulled or waived.

Not to disturb the habitat of marine life:

3. The lessee/lessees shall not disturb or cause injury to the marine life including fishery resources within the offshore area granted under these premises or shall not clear away seabed vegetation without the clearance from the competent authority, who may require the lessee/lessees to pay compensation for any damage or injury caused to the marine flora and fauna.

Facilities for adjoining Government licences and leases:

4. The lessee/lessees shall allow existing and future holders of Government permits, licences or leases, over any offshore area which is comprised in or adjoins or is reached by the offshore area held by the lessee/ lessees reasonable facilities of access thereto:

Provided that no substantial hindrance or interference shall be caused by such holders of licences or leases to the operations of the lessee/lessees under these presents and fair compensation (as may be mutually agreed upon or in the event of disagreement as may be decided by the Central Government) shall be made to the

lessee/lessees for loss or damage sustained by the lessee/lessees by reason of the exercise of this liberty.

PART • IV

Liberties, Powers and Privileges reserved to the Central Government

To lay pipelines / cables etc:

(1) Liberty and power for the Central Government or any lessee or person authorised by it in that behalf to enter into and upon the said offshore areas and to make upon over or through the same any pipelines, cables etc. in the offshore area for any purpose other than those mentioned in Part II of these presents provided that in the exercise of such liberty and power by such other lessee or person no substantial hindrance or interference shall be caused to or with the liberties, powers and privileges of the lessee/lessees under these presents and that fair compensation as may be mutually agreed upon or in the event of disagreement as may be decided by the Central Government shall be made to the lessee/ lessees for all loss or damage substantial hindrance or interference shall be caused to or with the exercise by such lessee or person of such liberty and power.

Power of Government to work for petroleum and natural gas:-

(2) The Central Government has power to authorise any other lessee/licensee or a-person in its behalf to enter upon the said areas and to search for, dig, raise and carry away petroleum and natural gas and for these purposes to sink, drive, erect, construct, maintain and use such installations, pipelines, waterways, engines, machinery, plant and conveniences as may be deemed necessary provided that in the exercise of such power no substantial hindrance or interference shall be caused to the rights of the lessee under these presents and that fair compensation shall be made to the lessee for the loss/damage sustained by the lessee by reasons or in consequence of the exercise of such power.

To grant permission to lay pipelines in the licensed area:-

(3) Government has power to grant and demise to any other licensee/lessee the power to enter into and upon the said areas and to lay pipelines or install pumping station for the purposes of extracting petroleum or natural gas by any other licensee/lessee duly authorised by the Central Government provided that as little interference as possible should be caused by the lessee/licensee of the petroleum/natural gas to the operations of the lessee under these presents.

To impose other necessary restrictions>

(4) That exercise of any of the powers reserved by this part shall be in accordance with such restrictions and conditions as the Government may by general or special order from time to time prescribe.

PART - V

Rents and royalties reserved by this lease

To pay fixed rent or royalty whichever is higher:

1. The lessee shall pay, for every year except the first year of the lease, fixed rent as specified in clause 2 of this Part:

Provided that, where the holder of such production lease becomes liable under section 16 of the Act, to pay royalty for any mineral removed or consumed by him or by his agent, manager, employee, contractor or sub-lessee, from the leased area, he shall be liable to pay either such royalty or the fixed rent in respect of that area, whichever is higher.

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Rate and mode of payment of fixed rent:

2. Subject to the provisions of clause of this Part, during the subsistence of the lease, the lessee/lessees shall pay to the Central Government annua! fixed rent for the offshore areas demised and described in Part I of this Schedule at the rate of the time being specified in the Second Schedule to the Act, in such manner as may be specified in this behalf by the Central Government.

Rate and mode of payment of royalty:

3. Subject to the provision of clause I of this part, the lessee/lessees shall during the subsistence of this lease pay to the Central Government at such times and in such manner as the Central Government may prescribe royalty in respect of any mineral/minerals removed by him/them from the leased offshore area at the rate for the time being specified in the First Schedule to the Offshore Areas Mines and Minerals (Regulation and Development) Act, 2002 (17 of 2003).

Payment of surface rent, and water rate:

4 xhe lessee/lessees shall make advance contributions towards the International §eabed Authority at the rates initiated by the Central Government or Administering authority if production operation are carried beyond two hundred nautical miles from the base line from which the breadth and territorial sea is measured.

PART - VI

Provisions relating to the rents and royalties

Rent and royalties to be free from deduction etc.:

1. The rent and royalties and contribution towards International Seabed Authority mentioned in Part-V of this Schedule shall be paid free from any deduction to the Central Government at .....and such manner as the Central Government may prescribe.

Provided always and it is hereby agreed that Rs.....the balance standing to the credit of the lessee/lessees on account of the deposit made by him/them as a licensee/licensees over an area which included the said offshore areas shall be retained and accepted by the Central Government in satisfaction of the rents and royalties mentioned in Part V until they reach that amount.

Mode of computation of royalty:

2. For the purposes of computing the said royalties the lessee/lessees shall keep a correct account of the mineral/minerals produced and despatched. The accounts as well as the weight of the mineral/minerals in stock or in the process of export may be checked by an officer authorised by the Central Government (here specify the mode of arriving at sale price/prices of mineral/minerals at production operation site).

Course of action if rents and royalties are not paid in time:

3. Should any rent, royalty or other sums due to the Central Government under the terms and conditions of these presents be not paid by the lessee/lessees within the prescribed time the same, together with simple interest due thereon at the rate of twenty-four per cent per annum may be recovered on a certificate of such officer as **may** be specified by the Central Government by general or special order, in the same manner as an arrear of offshore area revenue.

PART - VII

The Covenants of the Lessee/Lessees

Lessee to pay rents and royalties, taxes, etc.:

1. The lessee/lessees shall pay the rent and royalties reserved by this lease at such times and in the manner provided in PARTS V and VI of these presents and shall also pay and discharge all taxes, rates, assessments and impositions whatsoever

being in the nature of public demands which shall from time to time be charged, assessed or imposed by the authority of the Central Government upon or in respect of the premises and works of the lessee/lessees in common with other premises and works of a like nature.

To commence operations within two years and work in a workman-like manner:

2. The lessee/lessees shall commence operation within two years from the date of execution of the lease and shall thereafter at all times during the continuance of his lease search for, win, work and develop, the said minerals .without voluntary intermission in a skitful and workman-like manner without doing or permitting to be done any unnecessary or avoidable damage to the said offshore areas. For the purposes of this clause operations shall include the erection of machinery, laying of pipelines etc in the mine.

To indemnify Government against all claims:

3. The lessee/lessees shall make and pay such reasonable satisfaction and compensation as may be assessed by lawful authority in accordance with the law in force on the subject for all damage, injury or disturbance which may be done by him/them in exercise of the powers granted by this lease and shall indemnify and keep indemnified fully and completely the Central Government against all claims which may be made by any person or persons in respect of any such damage, injury or disturbance and all.costs and expenses in connection therewith.

To secure and keep in good condition pits, shafts, etc.:

4. The lessee/lessees shall during the subsistence of this lease well and sufficiently secure and keep open all pits and workings that may be made or used in the said offshore areas and shall during the same period keep all workings in the said offshore areas accessible as far as possible.

To allow inspection of workings: -

5. The lessee/lessees shall allow any officer authorised by the Central Government in that behalf to enter upon the premises including any excavation or offshore area comprised in the lease for the purpose of inspecting, examining, surveying, exploration and making plans thereof sampling and collecting any data and the lessee/lessees shall with proper person, employed by the lessee/lessees and acquainted with the mines and work effectually assist such officer, agents, servants and workmen in conducting every such inspection and shall afford them all facilities, information connected with the working of the mines which they may reasonably require and also shall and will conform to and observe all orders and

regulations which the Central Government as the result of such inspection or otherwise may, from time to time, see fit to impose.

To report accident:

6. The lessee/lessees shall without delay send to the Administering Authority a report of any accident causing death or serious bodily injury or serious injury to property or seriously affecting or endangering life or property which may occur in the course • of the operations under this lease,

To report discovery of other minerals:

7. The lessee/lessees shall report to the Central Government the discovery in the leased area of any mineral not specified in the lease within sixty days of such discovery along with full particulars of the nature and position of each such find. If any mineral not specified in the lease is discovered in the leased area, the lessee/lessees shall not win and dispose of such mineral unless such mineral is included in the lease.

To keep records and accounts regarding production and employees etc,:-

8. The lessee/lessees shall at all time during the said term keep or cause to be kept at an office to be situated near the said offshore areas correct and intelligible books of accounts which shall contain accurate entries showing from time to time:-"

(1) Quantity and quality of the said mineral/minerals realised from the said offshore areas.

(2) Quantity of the various qualities of ores beneficiated or converted.

(3) Quantities of the various qualities of the said mineral/minerals sold and exported separately.

(4) Quantities of the various qualities of the said mineral/minerals otherwise disposed of and the manner and purpose of such disposal.

(5) The prices and all other particulars of all sales of said mineral/minerals.

(6) The number of persons employed in the mines or works or upon the said ' offshore areas specifying nationality, qualifications and pay of the technical personnel.

(7) Such other facts, particulars and circumstances as the Central Government may from time to time require and shall also furnish free of charge to such officers and at such times as the. Central Government may appoint true and correct abstract of all or any, such books of accounts and such information and returns to all or any of the matters aforesaid as the Central Government may prescribe and shall at all reasonable times allow such officers as the Central Government shall in that behalf appoint to

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enter into and have free access to the said officers, for the purpose of examining and inspecting the said books of accounts, plans and records and to make copies thereof and make extracts therefrom.

To maintain plans, etc:

9. The lessee/lessees shall at all times during the said term maintain at the mine office correct intelligible up-to-date and complete plans and sections of the mines in the said offshore areas. They shall show all the operations, and workings and all * *sample locations (surface/subsurface) alongwith* pits, excavation and drillings made by him/them in the course of operations carried on by him/them under the case, faults and other disturbances encountered and geological data and all such plans and sections shall be amended and filled up by and from actual surveys to be made for that purpose at the end of twelve months of any period specified from time to time and the lessee/lessees shall furnish free of charge to the Central Government true and correct copies of such plans and sections whenever required. Accurate records of all excavations, pits and drillings shall show: -

(a) The subsoil and strata through which they pass.

(b) Any mineral encountered.

(c) Any other ratter of interest and all data required by the Central and Central Government, from time to time.

The lessee/lessees shall allow any officer of the Central Government, authorised in this behalf by the Central Government, to inspect the same at all reasonable times. He/they shall also supply when asked for by the Central Government a composite plan of the area showing thickness, dip, inclination etc. of all the mineral occurrences/mineral deposits or mineral beds as also the quantity of reserves quality-wise.

To pay minimum wages:

10. The lessee shall pay a wage, not less than the minimum wage prescribed by the Central Government from time to time.

To protect environment:

11. The lessee shall take measures for the protection of environment like protection of marine life (flora and fauna), use of pollution control devices, and such other measures as may be prescribed by the Central Government, from time to time at his own expense.

12. The lessee/lessees shall be bound by such rules as may be issued from time to time by the Government of India under section 20 of the Offshore Areas Mines and

Minerals (Regulation and Development) Act, 2002 (Act 17 of 2003) shall comply with directions issued under section 21 of the said Act and shall not carry on production or other operations under the said lease in any way other than as prescribed under these rules.

To provide weighing machine:

13. Unless specifically exempted by the Central Government the lessee/lessees shall provide and at all times keep at or near the site at which the said minerals shall be brought to shore a properly constructed and efficient weighing machine and shall weigh or cause to be weighed thereon all the said minerals, from time to time, brought to shore, sold, exported and converted and also the converted products and shall at the close of each day cause the total weights, ascertained by such means of the said minerals, ores products raised, sold, exported and converted during the previous twenty-four hours to be entered in the aforesaid books of accounts. The lessee/lessees shall permit the Centra! Government at all times during the said term to employ any person or persons to be present at the weighing of the said minerals as aforesaid and to keep accounts thereof and to check the accounts kept by the lessee/lessees. The lessee/lessees shall give..... days previous notice, in writing to the Administering Authority of *e^ery* such measuring or weighing in order that he or some officer, on his behalf may be present thereat.

To allow test of weighing machine;

14. The lessee/lessees shall allow any person or persons appointed in that behalf by the Central Government at any time or times during the said term to examine and test *e^ery* weighing machine to be provided and kept as aforesaid and the weights used therewith in order to ascertain whether the same respectively are correct and in good repair and order and if upon any such examination or testing any such weighing machine or weights shall be found incorrect or out of repair or order the Central Government may require that the same be adjusted, repaired and put in order by and the expense of the lessee/lessees and if such requisition be not complied with within fourteen days after the same shall have been made, the Central Government may cause such weighing machine or weights to be adjusted, repaired, and put in *or* order and the expense of so doing shall be paid by the lessee/lessees to the Central Government on demand and if upon any such examination or testing as aforesaid any error shall be discovered in any weighing machine or weights to the prejudice of the Central Government such error shall be regarded as having existed fpr three calendar months, previous to the discovery thereof or from the last occasion of so exaproduction and testing the same weighing machine and weights in case such occasion, shall be within such period of three months and the said rent and royalty shall be paid and accounted for accordingly.

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To pay compensation for injury of third parties:

15. • The lessee/lessees shall make and pay reasonable satisfaction" and compensation for all damage, injury or disturbance or person or property which may be done by or on the part of lessee/lessees in exercise of the liberties and power granted by these presents and shall at all times save harmless and keep indemnified the Central Government from and against all suits, claims and demands which may be brought or made by any person or persons in respect of any such damage, injury or disturbance.

Transfer of lease:

16: (1) The lessee/lessees shall not, without the previous consent in writing of the Central Government.

(a) assign, sublet, mortgage, or in any other manner, transfer the production lease, or any right, title or interest therein, or

(b) enter into or make any arrangement, contract or understanding whereby the lessee/lessees will or may be directly or indirectly financed to a substantial extent by, or under which the lessee's operations or undertakings will or may be substantially controlled by, any person or body of persons other than the lessee/lessees:

Provided that the Central Government shall not give its written consent unless-

(a) the lessee has furnished an affidavit along with his application for transfer of the production lease specifying therein the amount that he has already taken or proposes to take as consideration from the transferee;

(b) the transfer of the production lease is to be made to a person or body directly undertaking production operations.

(2) Without prejudice to the above provisions the lessee/lessees may, subject to the conditions specified in the proviso to Rule 41 of said Rules, transfer this lease or any right, title or interest therein, to a person who has filed an affidavit stating that he has filed up-to-date income tax returns, paid income tax assessed on him and paid the income tax on the basis of self-assessment as provided in the Income-Tax Act,. 1961 (43 of 1961), on payment of five hundred rupees to the Central Government:

Provided that the lessee/lessees shall make available to the transferee the original or certified copies of all plans of abandoned workings in the area.

Provided further that where the mortgagee is an Institution or a Bank or a Corporation specified in Schedule V, it shall not be necessary for any such Institution

or Bank or Corporation to nieet with the requirement relating to income tax and the said valid clearance certificate.

(3) The Central Government, may by order in writing, determine the lease at an time if the lessee/lessees has/have' in the opinion of the Central Government, committed a breach of any of the above provisions or has/have transferred the lease or any right, title or interest therein otherwise than in accordance with clause (2):

Provided that no such order shall be made without giving the lessee/lessees a reasonable opportunity^ stating his/their case.

Not to be financed or controlled by a Trust, Corporation, Firm or person:-

17. The lease shall not be controlled and the lessee/lessees shall not allow themselves . to be controlled by any Trust, Syndicate, Corporation, Firm or person except with the written consent of the Central Government. The lessee/lessees shall not enter into or make any arrangement compact or understanding whereby the lessee/lessees will or may be directly or indirectly financed by or under which the lessee's/lessees' operations or undertakings will or may be carried on directly or indirectly by or for the benefit of or subject to the control of any Trust, Syndicate, Corporation, Firm or person unless with the written sanction given prior to such arrangement compact or understanding being entered into or made of the Central Government and any or every such arrangement compact or understanding as aforesaid (entered into or made with such sanction as aforesaid) shall only be entered into or made and shall always be subject to an express condition binding upon the other party or parties thereto that on the occasion of a Central of emergency of which the President of India in his discretion shall be the sole judge it shall be terminable if so required in writing by, the Central Government and shall in the event of any such requisition being made be forthwith, thereafter determined by the lessee/lessees accordingly.

Lessee shall deposit any additional amount necessary:

18. Whenever the security deposit of Rupees ten lakhs or any part thereof or any further sum hereafter deposited with the Central Government in replenishment thereof shall be forfeited or applied by the Central Government pursuant to the power in hereinafter declared in that behalf the lessee/lessees shall deposit with the Central Government such further sum as may be sufficient with the unappropriated part thereof to bring the amount in deposit with the Central . Government up to the sum of Rupees ten lakhs.

Delivery of workings in good order to Central Government after determination of lease:

19. The lessee/lessees shall at the expiration or sooner determination of the said term or any renewal thereof deliver up to the Central Government all mines, pits and other works now existing or hereafter to be sunk or made on or under the said offshore areas except such as have been abandoned with the sanction of the Central Government and in any ordinary and fair course of working all engines, machinery, plant, structures, other works and conveniences which at the commencement of the said term were upon or under the said offshore areas and all such machinery set up by the lessee/lessees below which cannot be removed without causing injury to the mines or works under the said offshore areas (except such of the same as may with the sanction of the .Central Government have become disused) and all structures erected by the lessee/lessees above sea level in good repair order and condition and fit in all respects for further working of the said mines and the said minerals.

Right of pre-emption:

20 (a) The Central Government shall from time to time and all times during the said term have the right (to be exercised by notice in writing to the lessee/lessees) of pre-emption of the said minerals (and all products thereof) lying in or upon the said offshore areas hereby demised or elsewhere under the control of the lessee/lessees and the lessee/lessees shall with all possible expedition deliver all minerals or products or minerals purchased by the Central Government under the power conferred by this provision in the quantities at the times in manner and at the place specified in the notice exercising the said right.

(b) Should the right of pre-emption conferred by this present provision be exercised and a vowel chartered to carry the minerals or products thereof procured on behalf of the Central Government be detained on demurrage at the port of loading the lessee/lessees shall pay the amount due for demurrage according to the terms (The charter party of such vessel unless the Central Government shall be satisfied that the delay is due to causes beyond the control of the lessee/lessees.

(c) The price to be paid for all minerals or products of minerals taken in pre-emption by the Central Government in exercise of the right hereby conferred shallbe the fair market price prevailing at the time of pre-emption provided that in order to assist in arriving at the said fair market price the lessee/lessees shall if so required furnish to the Central Government for the confidential information of the Government, particulars of the quantities descriptions and prices of the said minerals or products thereof sold to other customers and of charters, entered into for freight for carriage of the same and shall produce to such officer or officers as may be directed by the Central Government original or authenticated copies of contracts and

charter parties entered into for the sale or freightage of such minerals or products.

(d) In the event of the existence of a Central of war or emergency (of which existence and President of India shall.be the sole judge and a notification to this effect in the Gazette of India shall be conclusive proof), the Central Government shall from time to time and all times during the said term have the right (to be exercised by a notice in writing to the lessee/lessees forthwith take possession and control of the works, plant, machinery and premises of the lessee/lessees on or in connection with the said offshore areas or operations under this lease and during such possession or control the lessee/lessees shall conform to and obey all directions given by or on behalf of the Central Government regarding the use or employment of such works, plants, premises and minerals: Provided that compensation which shall be determined in default of agreement by the Central Government. shall be paid to.the, lessee/lessees for all loss or damage sustained by him/them by reason or in consequence of the" exercise of the powers conferred by this clause and provided also that the exercise of such powers shall not determine the said term hereby granted or affect the terms and provisions of these presents further than may be necessary to give effect to the provisions of this clause.

Employment of foreign national:

21. The lessee/lessees shall not employ, in connection with the production operations any person who is not an Indian national except with the previous approval of the Central Government.

Recovery of expenses incurred by the Central Government:

22. If any of the works or matters which in accordance with the covenants in that behalf hereinbefore contained are to be carried or performed by the lessee/lessees be not so carried out or performed with in the time specified in that behalf, the Central Government may cause the same to be carried out or performed and the lessee/lessees shall pay the Central Government on demand all expenses which shall be incurred in such carrying out or performance of the same and the decision of the Central Government as.to such expenses shall be final.

Furnishing of geophysical data:

23. The lessee/lessees shall furnish; -

(a) all geophysical data relating to production fields, or engineering, surveys, such as anomaly maps, sections, plans, structures, contour maps, logging,

collected by him/them during the course of production operations to the Director-General, Geological Survey of India, Kolkata,

(b) all information pertaining to investigations of radioactive minerals collected by him/them during course of production operations to the Secretary, Department of Atomic Energy, New Delhi.

Data or information referred to above shall be furnished every year reckoned from the date of commencement of the period of the production lease.

To comply with International Laws:-

24.:. To comply with all international conventions or treaties to which Government is a .party and the laws and customs governing the High Seas and with all laws and regulations, instructions and orders, issued by the Government for the protection !'. „„..'.. of navigation, aircraft, fishing and fisheries

.„ *Jx> establish safety zone around installations ;-*

25. To construct and maintain or operate within the area, after obtaining approval from competent authorities, installations and other devices necessary for mining, to establish safety zones around such installations or devices, and to take in such. zones, measures necessary for their protection.

To prevent danger to shipping:-

26. To ensure that such installations are so constructed, placed, marked, buoyed and lighted as not to constitute a danger to shipping.

Not to cause interference to Navigation:-

27. Not to establish such installations or devices or safety zones where interference may be caused to recognised sea lanes essential to International navigation, without the prior concurrence of Government and to ensure their removal if required by the Government or when in disuse or when abandoned.

To prevent pollution of the Sea:-

28. To take all practical measures including the provision of modern equipment to ensure that no liquid waste is discharged or escapes into the sea as a result of the operations'for mining in the sea bed and subsoil of the area and in the case of such escape or discharge, to take all reasonable steps to stop or reduce the same and to prevent the pollution of the sea by liquid waste.

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No mining operations within 500 mtrs. distance from any installation of a petroleum concessions:-

29 Not to carry out any mining or excavation activities within a horizontal distance of 500 mtrs. from any platform, erect, pumping station, pipeline that has been erected by a petroleum concession holders.

Facilities for holders of Government licenses or leases for access:-

30, The lessee shall allow existing and future holders of Government licenses or leases over any area which is.comprised in or adjoins, or is reached by the areas held by the lessee, reasonable facilities of-access thereto PROVIDED THAT no substantial hindrance or interference shall be caused by such holders of licenses or leases to the operations of the lessee under these presents

PART - VIII

The Covenants of the Central Government

Lessee/lessees may hold and enjoy rights quietly:

1. The\ lessee/lessees paying the rents and royalties and contributing towards International Seabed Authority (if required) hereby reserved and 'observing and performing all the covenants and agreements herein contained and oh the part of the lessee/lessees to be observed and performed shall and may quietly hold and enjoy the rights and premises hereby demised for and during the term hereby granted without any unlawful interruption from or by the Central Government, or any person rightfully claiming under it.

To renew:

2. The production lease is renewable in terms of the provisions of the Act and the rules made thereunder.

Provided that the CentrarGovernment may for reasons to be recorded in writing reduce the area applied for.

If the lessee/lessees be desirous of taking a renewed lease of .the premises hereby demised or of any parts of them for a further term from the expiration of the term hereby granted and is otherwise eligible, he/they shall prior to expiration of the last mentioned term give to the Central Government twelve calendar months previous notice in writing and shall pay the rent, rates and royalties hereby reserved and shall observe and perform the several covenants and agreements herein contained and on the part of

the lessee/lessees to be observed and performed up to the expiration of the term hereby granted. The Central Government on receipt of application for renewal, shall consider it in accordance with the provisions of the Act and the rules made thereunder and shall pass orders as it deems fit. If renewal is granted, the Central Government will at the expense of the lessee/lessees and upon his executing and delivering to the Central Government if required a counterpart thereof execute and deliver to the lessee/lessees a renewed lease of the said premises or part thereof for the further term of.....years at such rents, rates and royalties and on such terms and subject to such rents, rates and royalties and on such terms and subject to such covenants and agreements, including this present covenant'to renew as shall be in accordance with the Offshore Areas Mineral Concession Rules, 2006, applicable to.....(name of minerals) on the day next folfowing the expiration of the term hereby granted.

Liberty to determine the lease:

3 j h e lessee/lessees may at any time determine this lease by giving not less than twelve calendar months notice in writing to the Central Government or to such officer, or authority as the Central Government may specify in this behalf and upon the expiration of such notice provided that the lessee/lessees shall upon such expiration render and pay all rents contributions towards International Seabed Authority (if required), royalties, compensation for damages and other moneys which may then be due and payable under these presents to the lessor or any other person or persons and shall deliver these presents to the Central Government then this lease and the said term and the liberties, powers and privileges hereby granted shall absolutely cease and determine but without prejudice to any right or remedy of the lessor in respect of any breach of any of the covenants or agreements contained in these presents.

4. The Central Government may on an application made by the lessee permit him to surrender one *or* more minerals from his lease which is for a group of minerals on the ground that deposits of that mineral have since exhausted or depleted to such an extent that it is no longer possible to work the mineral economically, subject to the condition that the lessee-

fa) Makes an application for such surrender of mineral at least six months before the intended date of surrender; and

(b) Gives an undertaking that the will not cause any hindrance in the working of the mineral so surrendered by any other person who is subsequently. granted a production lease for that mineral.

Refund of security deposits:

5. On such date as the Central Government may elect within twelve calendar months after the determination of this lease or of any renewal thereof, the amount of the

security deposit paid in respect of this lease and then remaining in deposit with the Central Government and not required to be applied to any of the purposes mentioned in this lease shall be refunded to the lessee/lessees. No interest shall run on the security deposit.

PART-IX

General Provisions

$. *Obstructions to inspection:*

1. In case the lessee/lessees or his/their transferee/assignee does/do not allow entry or inspection by the officers authorised by the Central Government under clauses (e), (f) or (g) of sub-rule (1) of rule 32 of said Rules, the Central Government shall give notice in writing to the lessee/lessees requiring him/them to show cause within such time as may be specified in the notice why the lease should not be determined and his/their security deposit forfeited; and if the lessee/lessees fails/fail to show cause within the aforesaid time to the satisfaction of the Central Government, the Central Government may determine the lease and forfeit the whole or part of the security deposit.

Penalty in case of default in payment of royalty and breach of covenants:-

2. If the lessee/lessees or his their transferee or assignee makes/make any default in payment of rent or royalty as required by section 17 and 16 of the Act respectively or commits a breach of any of the conditions and covenants other than those referred to in covenant 1 above, the Central Government shall give notice to the lessee/lessees requiring him/them to pay the rent, water rate, royalty or remedy the breach, as the case may be, within sixty days from the date of receipt of the notice and if the rent, water rate and royalty are not paid or the breach is not remedied within such period, the Central Government without prejudice to any proceedings that may be taken against him/them, determine the lease and forfeit the whole or part of the security deposit.

f *Penalty for repeated breaches of covenants:-*

^ 3. In case of repeated breaches of covenants and agreements by the lessee/lessees for which notice has been given by the Central Government in accordance with clauses (1).and (2) aforementioned on earlier occasion, the Central Government without giving any further notice, may impose such penalty not exceeding twice the amount of annual fixed rent specified in clause 2, Part V.

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Failure to fulfil the terms of leases due to "Force Majeure":

4. Failure on the part of the lessee/lessees to fulfil any of the terms and conditions of this lease shall not give the Central Government any claim against the lessee/lessees or be deemed a breach of this lease, in so far as such failure is considered by the said Government to arise from force majeure, and if through force majeure the fulfilment by the lessee/lessees of any of the terms and conditions of this lease be delayed, the period of such delay shall be added to the period fixed by this lease. In this clause the-expression "Force Majeure" means act of God, war, insurrection, riot, civil commotion, strike, earth quake, tide, storm, tidal wave, flood, lightning, explosion, fire, earthquake and any other happening which the lessee/lessees could not reasonably prevent or control.

Lessee/lessees to remove his/their properties on the expiry of lease:

5. The lessee/lessees having first paid discharged rents, rates and royalties payable by virtue of these presents may at the expiration or sooner determination of the said term or within six calendar months thereafter (unless the lease shall be determined under paragraph 1 and 2 of this Part and in that case at any time not less than three calendar months nor more than six calendar months after such determination) take down and remove for his/their own benefit all or any [ore mineral excavated during the currency of lease] engines, machinery, plant, structures and other works, erections and conveniences which may have been erected, set up or placed by the lessee/lessees in or upon the said offshore areas and which the lessee/lessees is/are not bound to deliver to the Central Government under clause 20 of Part VII of this indenture and which the Central Government shall not desire to purchase.

Forfeiture of property left more than six months after determination of lease:

6. If at the end of six calendar months after the expiration or sooner determination of the said term under the provision contained in clause 4 of Part VIII of this Schedule become effective there shall remain in or upon the said offstage; area any [ore or mineral] engines, machinery, plant, structures and other work, erections and conveniences or other property which are not required by the lessee/lessees in connection with operations in any other offshore areas held by him/them under exploration licence or production lease the same shall if not removed by the lessee/lessees within one calendar month after notice in writing requiring their removal has been given to lessee/lessees by the Central Government be deemed to become the property of the Central Government and may be sold or disposed of in such manner as the Central Government srfall deem fit without liability to pay any compensation or to account to the lessee/lessees in respect thereof.

Notices.

7. Every notice by these presents required to be given to the lessee/lessees shall be given in writing to such person resident on the said offshore areas as the lessee/lessees may appoint for the purpose of receiving such notices and if there shall have been no such appointment then every such notice shall be sent to the lessee/lessees by registered post addressed to the lessee/ lessees at the.address recorded in this lease[1] or at such other address in India as the lessee/ lessees may from time to time in writing to the Central Government designate for the receipt of notices and every such service shall be deemed to be proper and valid service upon the lessee/ lessees and shall not be questioned or challenged by him/them.

Immunity of Central Government from liability to pay compensation:

8. If in any event the orders of the administering authority are revised, reviewed or cancelled by the Central Government in pursuance of proceedings under Chapter XI of the Offshore Areas Mineral Concession Rules, 2006, the lessee/lessee's shall not be entitled to compensation for any loss sustained by the lessee/lessees in exercise of the powers and privileges conferred upon him/them by these presents.

9. The lease is executed at… the capital town of the Central of……(name of the Central) and subject to the provision of Article 226 of the Constitution of India, it is hereby agreed upon by the lessee and the lessor that in the event of any dispute in relation to the area and lease, condition of lease, the dues realisable under the lease and in respect of ail matters touching the relationship of the lessee and the lessor,-the suits (or appeals) shall be filed in the civil courts at (name of the city) and it is hereby expressly agreed that neither party shall be competent to file a suit or bring any action or file any petition at any place other than the courts named above.)

10. For the purpose of stamp duty the anticipated royalty from the demised offshore area is Rs……per year

IN WITNESS WHEREOF these presents have been executed in the manner hereunder appearing the day and year first above written.

Signed by

for and on behalf of the President of India in the presence of

SCHEDULE-A

Offshore area covered by lease

(Here indicate the latitude and the longitude of the offshore area covered under the production lease).

SCHEDULE -B

Annual fixed rent

(Here specify the amount of fixed rent period wise and the manner and time of payment).

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SCHEDULE -C

1. Rate of royalty on minerals shall be in accordance with the First Schedule of the Act.

2. (a) Here insert the mode of arriving at sale price of mineral/minerals at the production site.

   (b) The manner and time of payment of royalty

FORM R

(See rule 38)

Model form for transfer of production lease

When the transferor is an individual.....The indenture made this.....day of.....'...20. . . . . .between.....(Name of the person with address and occupation) (hereinafter referred to as the "transferor" which expression shall where the context so admits be deemed to include his heirs, executors, administrators, representatives and permitted assigns).

When the transferors are more than one individual.....(Name of person with address and occupation) and. . . . . .(Name of person with address and occupation) (hereinafter referred to as the "transferor" which expression shall where the context so admits be deemed to include their respective heirs, executors, administrators, representatives and their permitted assigns).

When the transferor is a registered firm.....(Name of the person with address of all the partners) all carrying on business in partnership under the firm name and style of.....(Name of the firm) registered under the Indian Partnership Act, 1932(9 of 1932) and having their registered office at.....(hereinafter referred to as the "transferor" which expression where the context so admits be deemed to include all the said partners, their respective heirs, executors, legal representatives and permitted assigns).

When the transferor is a registered firm.....(Name of the person with address of all the partners) all carrying on business in partnership under the firm name and style of. .....(Name of the firm) registered under the Indian Partnership Act, 1932 (9 of 1932) and having their registered office at.....(hereinafter referred to as the "transferor" which expression where the context so admits be deemed to include all the said partners, their respective heirs, executors, legal representatives and permitted assigns).

When the transferor is a registered company.....(Name of Company) a company registered under.....(Act under which incorporated) and having its registered office at.....(Address)fhereinafter referred to as the "transferor" which •expression shall where the context so admits be deemed to include its successors and permitted assigns) of the first part.

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And

And when the transferee is an.individual.....(Name of person with the address and occupation) (hereinafter referred to as the transferee" which expression shall. where the context so admits be deemed to include his heirs, executors, administrators, representatives and permitted assigns.).

When the transferees are more than one individual.....(Name of the person with address and occupation), and.....(Name of person with address and occupation)(hereinafter referred to as the "transferee" which expression, shall where the context so admits be deemed to include their respective heirs, executors, administrators, representatives and their permitted assigns).

When the transferee is registered firm.....(Name and address of all the partners all carrying on business in partnership under the firm name and style of).....(Name of the firm) registered under the Indian Partnership Act, 1932 (9 of 1932) and having their registered office at.....(hereinafter referred to as the "transferee" which expression where the context so admits be deemed to include all the said partners, their respective heirs, executors, legal representatives and permitted assigns).

When the transferee is registered company.....(Name of the Company) a company registered under (Act under which incorporated) and having its registered office at.....(Address) (hereinafter) referred to as the "transferee" which

expression shall where the context so admits be deemed to include its successors and permitted assigns) of the second part.

And

The President of India.....(hereinafter referred to as the "Central Government" which expression shall where the context so admits be deemed to include the successors and assigns) of the third part.

Whereas by virtue of an indenture of lease dated the.....and registered as No. .....on.....(place) (hereinafter referred to as lease) the original whereof is attached hereto and marked "A entered into between the Central Government (therein called the lessor) and the transferor (therein called the lessee), the transferor is entitled to search for, win and work mines and minerals in'respect of.....(Name of minerals) in the offshore areas described in Schedule thereto and also in Schedule annexed hereto for the term and subject to the payment of the rents and royalties and observance and performance of the lessee's covenant and conditions in the said deed of lease reserved and contained including a covenant not to assign the lease or any interest thereunder without the previous sanction of the Central Government.

And whereas the transferor is now desirous of transferring and assigning the lease to the transferee and the Central Government has, at the request of the transferor, granted permission to the transferor vide order No.....dated.....to such a transfer and assignment of the lease upon the condition of the transferees entering into an agreement is and containing the terms and conditions hereinafter setforth.

Now this Deed Witnesseth as follows:

1. The transferee hereby convenants with the Central Government that from and after the transfer and assignment of the lease the transferee shall be bound by, and be liable to perform, observe and conform and be subject to all the provisions of all the covenants, stipulations and conditions contained in said hereinbefore recited lease in the same manner *in* all respects as if the lease had been granted to the transferee as the lessee thereunder and he had originally executed it as such.

2. It is further hereby agreed and declared by the transferor of the one part and the transferee of the other part that

   (i) The transferor hereby declares that he has not assigned subject, mortgaged or in any other manner transferred the production lease now being transferred and that no other person or persons has any right, title or interest where under in the present production lease being transferred.

   (ii) The transferor further declares that he has not entered into or made any agreements, contract or understanding whereby he had been or is being directly or indirectly financed to a substantial extent by or under which the transferor's operation or understandings were or are being substantially controlled by any person or body of persons other than the transferor.

(iii) The transferee hereby declares **that he/she has** accepted all the conditions and liabilities which the transferors was having in respect of such production lease.

(iv) The transferee further declared that he is financially capable of and will directly undertake production operations.

(v) The transferee further declares that he has filed an affidavit stating that he has filed up-to-date income tax returns, paid the income tax assessed on him and paid the income tax on the basis of self-assessment as provided in the Income Tax Act, 1961, (43 of 1961).

(vi) The transferor has supplied to the transferee the original or certified copies of all plans of abandoned workings in the area.

(vii) The transferee hereby further declares that as a consequence of this transfer, the total area while held by him under mineral concessions are not in contravention of the Offshore Areas (Development and Regulation) Act, 2002 (17 of 2003)or the Offshore Areas Mineral Concession Rules, 2006.

(viii) The transferor has paid all the rent, royalties, and other dues towards Government till the date, in respect of this lease.

In witness whereof the parties hereto have signed on the, date and year first above written.

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SCHEDULE

Location and area of the lease

Ail that tract of offshore area covered within .:.....latitude and..... longitude.

Signed by
for and on behalf of the Central Govt, in the presence of

1.

2.

Signature of Transferor in the presence of witnesses

1.

2.

Signature of transferee in the presence of

1.

2.

FORM S

[See rule 39(1)]

Register of applications for Production Leases

1. Serial No.
2. Date of application of production lease.
3. Date on which application was received by the Receiving Officer.
4. Name of the applicant with full address.
5. Situation and boundaries of the offshore area applied for (give latitudes and longitudes).
6. Particulars of the minerals which the applicant desires to produce.
7. Particulars of the exploration licence if the offshore area applied for is cdvered by it.
8. * Final disposal of the application together with number and date of the order.
9. Remarks.
10. Signature of the Officer

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FORM T

[See rule 39(2)]

Register of Production Leases

1. Serial number.
2. Name of the lessee.
3. Residence with complete address of the lessee.
4. Date of application.
5. Date on which application was received by the Receiving Officer.
6. (a) Number and date of grant of production lease.
   (b) Date of execution of production lease
7. Situation of the offshore area.
8. Total offshore *area* for which lease has been granted.
9. Mineral or minerals for which lease originally granted.
10. Mineral or minerals added to the production lease with date.
11. The details of the offshore area and the minerals for which lease^ originally granted.
12. Period for which granted.
13. Date and period of renewal.
14. Date of change together with details of change that take place in name, nationality or other particulars of the holder of production lease.

15. Date of assignment of transfer of the lease, if any and the name and address of the assignee/transferee.

16. Date of expiry or cancellation.

17. Date from which the offshore area is available for regrant.

18. Remarks.

19. Signature of the Officer.

FORM U

[See rule 48]

(Six monthly Report of the Reconnaissance Operations carried out)

Progress report of reconnaissance operation in respect of.....[the name of the mineral(s)]. . . .. .for the six month period ending.....

IMPORTANT

This Form, duly filled in must reach the concerned authorities within thirty days after expiration of six month period from the date of execution of reconnaissance permit or the expiry of reconnaissance permit or abandonment of reconnaissance operations, whichever is earlier.

Submitted to:

1. The Controller General
   Indian Bureau of Mines,
   Nagpur - 440 001
2. The Director general
   Geological Survey of India
   Kolkata
3. The Secretary,
   Deptt. of Atomic Energy
   (Only in respect of Atomic Minerals),

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1. Name of the permit holder _____
2. Nature of firm _____
3. Address of firm _____
4. Area under permit • _____
5. Location " (between_____latitude and_____longitude)
6. Date of grant of permit_____'
7. Period of permit _____
8. Reconnaissance survey work done
   (A brief description of the work involved along with particulars such as name and type of vessel used with list of equipment onboard including location systems would be given against each of the following items)
   (ij Regional Survey_____
   (ii) underwater photography '_____
   (iii) Geological Mapping including area covered and scale, sampling grid and location of the sample stations.
   (iv) Geophysical__________
   (v) Geochemical . _____
   (vi) Test drilling: Number, area of influence metreage, sampling and grab (gravity _____ core/vibrocore/box core/dredge/drill core.
   (vii) Geotechnical parameters
9. Nature and structure of the ore body_____^_
10. Analysis of the ores or minerals_____;_____-

11. If abandoned
    (i) Date of abandonment
    (ii) Reasons for abandonment

Signature _____
(Full name of the Signatory)
Designation_____
Address
Date of despatch

FORM V

[See rule 53]

(Six monthly Report of the Exploration Operations carried out)

Progress report of exploration operation in respect of.....[the name of the mineral(s)]. . . . . for the six month period ending.....

To

1. The Controller General
   Indian Bureau of Mines,
   Nagpur - 440 001
2. The Director general
   Geological Survey of India
   Kolkata
3. The Secretary,
   Deptt. of Atomic Energy
   (Only in respect of Atomic Minerals)

IMPORTANT
This Form, duly filled in must reach the concerned authorities within thirty days after expiration of six month period from the date of execution of exploration licence or the expiry of explorati on licence or abandonment of exploration operations, whichever is earlier.

1. Name oMhe minerals for which exploration licence has been granted.

2. Name and address of the licensee

3. Particulars of Exploration Licence (EL):
   (i) Date of execution_____
   (ii) Period_____years, from_____to _
   (iii) Area under licence
   (iv) Number and date assigned by Central Government to Exploration Licence.
   (a) Number^
   (b) Date _

4. Location of "the Exploration Licenced Area: (between_____latitude and_____longitude)

5. Particulars of Geologist/Mining Engineers-in-Charge of exploration operations:
(i) Name and address

(ii) Qualifications
(iii) Date of appointment
(iv) Nature of appointment
PIN

(whole time () Part time ()

Please tick (V) mark one of the boxes whichever is applicable

6. (i) Status of exploration operation — In progress [ ]
Please tick (V) mark one of the boxes whichever is applicable — Completed [ ]
Abandoned [ ]

(ii) If exploration operation is completed or abandoned, date of such completion or abandonment _____;_____

7. Total surface area covered by exploration work (hectares) as on date _____

8. Completion of exploration work during the year:

(a) *Bulk sampling*

(i) Number of bulk samples

(ii) Depth (metres) Average _____
Maximum _ ^ ^ _ „
Minimum _____

(b) *Dredging*

(i) Number of Dredge samples ___

(ii) Length (metres) Average _____
Maximum _____
Minimum _____

(c) Drilling — Surface — Underground

(i) Number of boreholes completed during the year _____

(ii) Number of boreholes in progress, if any _____

(iii) Total annua! drilling (metres) _____

(d) Particulars of drilling machines — Type — Make — Capacity — Number of drills

(e) Exploratory mining, if any

(1) Total development (metres) _____,

(2) Quantity of ore produced with grade _____

(f) Number of samples analysed

.(1) Main constituent (please specify)

(2) Complete analysis

Note: Please enclose a geological report describing the exploration operations undertaken so far along with the detailed geological plans and sections showing locations of (a) boreholes, (b) *bulk samples,* (c) dredge samples, (d) exploratory workings, (e) ore zones and other geological features. In addition, details of sea bed sampling (surface/subsurface), water sampling and other offshore parameters like current data, underwater photography, physical parameters like temperature, salinity, conductivity, etc., may also be given, if undertaken.

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jhe Report shall contain the borehole logs and interpretation and the inferences drawn as **a** result of the study of the geology of the area and the interpretation of the borehole cores, -pits, trenches, assay data, reserves of ore and contain results of complete analysis of at least two representative samples of ore and the blocks proposed for mining operations. The report shall also contain the results of any beneficiation study carried out on the ores or minerals of the area.

Signature:
Name in full:
Designation: Owner/Agent/Mining Engineer/Manager

Place:
Date:

FORM W

[See rule 58]

(Six monthly Report of Production Operations carried out)

Progress report of production operations-in respect of.....[the name of the mineral(s)].....for the six month period ending.....

(i) Name of the Mineral

(ii) Name of **the** Mine

{iii) Name(s) of other mineral(s), if any, produced from the same mine during the year 20. . . .

To

I The Controller General
Indian Bureau of Mines.
Nagpur-440 001

2.The Director General
Geological Survey of India.
Kolkata

3The Secretary.
Deptt. of Atomic Energy
(Onlv in respect of Atomic Minerals),

To

.- .. Controller General, Indian Bureau of Mines, Nagpur.

PART -1 (General)

1. Location of Mine: Offshore area between_____latitude and_____longitude

2. Name and Address of
   (i) Lessee/Owner:
   (ii) Registered Office of Lessee:
   (iii) Agent:
   (iv) Manager:
   (v) Mining Engineer in charge:
   (vi) Geologist in charge:
   (vii) Transferer {previous lessee) if any, and date of transfer:

3. (i) Area under lease

   (ii) Date of execution of production lease deed

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v

(Hi) Period of lease

(iv) Date and period of renewal (if applicable)

4. Ownership/exploiting »agency of mine
   (i) PUBLIC SECTOR
   (ii) PRIVATE SECTOR

   (iii) JOINT SECTOR

PART - II (Employment & Wages)

1. Number of technical and supervisory staff employed at the mine

Description	Wholly employed	Partly employed
(vi) Graduate Mining Engineer		
(vii) Diploma Mining Engineer		
(viii) Geologist		
(ix) Other administrative, clerical and technical supervisory staff		

2. (i) Number of days the mine worked:
   (ii) Number of shifts per day:
   (iii) Indicate reasons for work stoppage in the mine during the year such as due to strike, lockout, monsoon, non-availability of labour, transport bottleneck, lack of demand, uneconomic operation etc. and the number of days of work stoppage for **each of** the factors separately.

3. Employment of labour and wages paid
   Maximum number of persons employed on any one day during the year

Classification	Total No. of mandays worked during the six month period.			No. of days worked during the pwriod.	Average daily number of persons employed			Total wages salary bill for the period (Rs)
	Direct	Contract	Total		Male	Female	Total	
(1)	(2A)	(2B)	(2C)	(3)	(4A)	(4B)	(4C)	(5)
(I) On land								
(i)								
00								
(iii)								
(I) On ship, barges, etc.								
(i)								
(ii)								

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PART- III (Consumption of Materials)

1. Quantity and Cost of material consumed during the six month period

Description	Unit	Quantity	Value (Rs.)
(i) **Fuel**			
(a) Coal	Tonnes		
(b) Diesel Oil	Litres		
(c) Petrol	Litres		
(d) Kerosene	Litres'		
(a) Gas]	Cu.m.		
(ii) Lubricant	^		
(a) Lubricant oil	-* Ltrs.		
(b) Grease	Kgs.		
(iii) Explosives (of all types)			
(iv) Other Material, Spares & Stores			

2. Royalty and fixed rent — Paid for current six month period — Paid towards past arrears

3^ax©5 and cesses

4. Other expenses (Rs.)
   (i) Overhead
   (ii) Maintenance
   (iii) Money value of other benefits paid to workmen
   •(iv) Payment made to professional agencies
   (v) material handlings
   •(vi) others

PART- IV (General Geology & Mining)

1. Give a brief account of exploration/development work done during the year.
2. Reserves (in tone) and basis of estimation.

Classification	In situ reserves		Mineable reserves	
	Quantity	Grade	Quantity	Grade
Proved				
Probable				
Possible				
Total				

' Basis of estimation:

3. Type and Aggregate Horse Power of Machinery:

Type of Machinery	No. of units	Capacity	HP.

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PART- V (Production, Despatcheaand Stocks)

(Unit of Quantity in Tonnes)

1. Production and Stocks of ROM ore at mine-head

Type of Machinery	No. of Units	Capacity	H.P.
(a) Opening stock			
(b) Production			
(c) closing stock			

2. Quantity of waste removed:

3. Quantity of mineral rejects with grades:'

4. Grade-wise Production, Despatches and Stock of Processed Ore

Grades (indicate actual grade)	Opening stock at mine-head	Production	Despatches from mine-head	Closing stock at mine-head	PMV (Rs/MT)

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5. Details of deductions (from FOR/FOB prices) used for computation of PMV (Rs./Tonne)"
   (a) Cost of Transportation
   (indicate loading stations and distance from mine)

   (b) Loading and unloading charges

   (c) Port handling/export duty/and other charges, etc.
   (indicate name of port)

6. Sales/Despatches for Domestic consumption and for Exports:

Grade of ore [Place of sale]	For Domestic Consumption			For export		
	Consignee	Quantity	Sale value (Rs.)	Country	Quantity	FOB value (Rs.)

7. Give reasons for increase/decrease in production, if any, during the year compared to the previous year.

PART- VI (Cost of Production)

Cost of production per tonne of ore/mineral produced

Item	Cost per metric tonne (Rs.)

(i) Direct Cost:
  (a) Exploration
  (b) Mining
  (c) BerreficratioR' (Mechanical only)

(ii) Over-head cost
(iii) Depreciation
(iv) Interest
(v) Royalty
(vi) Taxes
(vii) Fixed'Rent
(viii) Others (specify)
Total

-#-

Note: Information given under Part-UI will be kept confidential, if required. The Government. however, will be free to utilise the information for general studies without revealing the identity or working cost of the firm.

I certify that the information furnished above is correct and complete in all respects.

Place: Signature
Date: Name in full:

Designation:Owner/Agent/
Mining
Engineer/Manager

~~

FORM X
(See rule 59)

"To be submitted in triplicate"

(**Model Form of Memorandum of appeal**)

1. Name and address of individual/s firm or company applying.

2. Profession of individual/s or firm or company.

.3 (a) Number and date of order and authority passing the order against which an
" ^^ appeal is preferred;

"(b) Date of communication of the order to the applicant.

4. If the appeal is in respect of an order made on an application for mineral concession, specify -
  (i) whether for grant or renewal;
  (ii) whether for reconnaissance permit or exploration licence or for production lease;
  (iii) date of such application;

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(iv) if for renewal, the number and date, of letter of the administering authority conveying the grant and the date upto which permit/licence/lease was granted;

(v) in the case of second or subsequent renewal, the number and Uate of letter of earlier grant (s) and date (s) upto which grant (s) have been made.

5. Mineral or minerals for which the appeal is filed.

6. Details of the area in respect of which the appeal is filed (give latitude and longitude covering the area),

7. (a). Whether the appeal^has been filed within (three months) of the date of communication of the order passed by the administering authority.

(b) If not, the reasons for not presenting it within the prescribed limit as provided for in proviso to sub-rule (1) of rule 59 of Offshore Areas Mineral Concession Rules, 2006.

8. Name and complete address of the party/parties impleaded under sub- rule (2) of rule 59.

9. Number of copies of petition attached under sub-rule (3) of rule 59.

10. Grounds of appeal.

11. If the appeal has been filed by the holder of Power of Attorney, the Power of Attorney to be attached.

Yours faithfully,
Signature and designation
of the appellant

Place

Date

Verification

I,.....the appellant, do hereby declare that what is stated above is true tcu the best of my information and belief.

.Verified at .....The.....dates of.....20.....

Signature of the appellant
or his authorized
Representative.

FORMY

MINING DUES CLEARANCE CERTIFICATE

"N* [See rule 4(2)(a), 13(2)(a)' and 23(2)(a)]

This is to certify that Mr./M/s.....*.....has cleared all mining dues outstanding against him/them including royalty/fixed rent/contribution towards International Sea Bed Authority under the Offshore Areas Mineral (Development and Regulation) Act 2002 (17 of 2003) and the Offshore Areas Mineral Concession Rules, 2006 upto 31st December, 2.....

This certificate is issued *jan* the undertaking of the applicant. It shall not discharge the holder from the liability to pay mining..dues which may subsequently be found to be payable by him/Company under the Act or the Rules mentioned above.

Signature

(Authority authorized by the Central Government)

SCHEDULE

[See rule 18(1)]

Maximum quantities of ores and minerals removable

Class	Mineral	Quantities That can be carried away without any payment	Maximum quantity that can be carried away by payment of royalty
(1)	(2)	(3)	(4)
Class-I	Apolymetallic nodules, manganese nodules, phosphatic nodules	3 tonnes	300 tonnes
Class-ll	Auriferous rock with/without visible uranium mineral & uranium bearing matieral, minerals of rare earths group.	2 tonnes	200 tonnes
^ass-III	Ilmenite, Rutile, Zircon, Sillimanite, Garnet, Monazite, Silica sand, Lime mud, Oolites; Calcareous sands, Phosphatic Micromanganese nodules, Sulphide mineralisation	3 tonnes	300 tonnes
Class-I^	All other minerals not specified above	2 tonnes	200 tonnes

Note : If the licensee holds Exploration Licence for more than one standard block, then he*may remove the total quantities of minerals within the permissible limits from any block(s) at his discretion.

[Na 1/16/95_M·VI]

AJITA BAJPAI PANDE, Jt. Secy.

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