

GOVERNMENT OF TELANGANA
ABSTRACT

Mines & Minerals - Payment of Environment Impact Fee @ Rs.3/- per Square feet for buildings above 10,000 Square feet of built up area, as per approved plan by Competent Authority – Orders – Issued.

INDUSTRIES AND COMMERCE (MINES.I) DEPARTMENT

G.O.MS.No. 34

Dated:17.06.2015

Read the following:

From the Director of Mines & Geology Letter No.106/MR/2015, dated:04-03-2015.

ORDER:

The representatives of Telangana Real Estate Developers Association (TREDA), Confederation of Real Estate Developers Association (CREDAI) and various Builder Associations had represented to the Government that there are frequent inspection of shopping malls, multi-storied apartments and commercial complexes by Vigilance & Enforcement Department and the Vigilance Squads of Mines and Geology Department to their construction sites to enquire about the materials consumed in the construction and for production of evidence of payment of seigniorage fee. They expressed difficulty in maintaining accurate purchase records resulting in imposition of normal Seigniorage fee and penalty for the materials consumed by the builders. These materials are obtained after payment of regular Seigniorage charges at point of production. Finally, the TREDA, CREDAI and other Builder Associations requested the Government to simplify the procedure of collection of amount on the material consumed by the builders in the construction.

2. The penal provisions of Rule 26 of the A.P.Minor Mineral Concession Rules 1966 focus on addressing unauthorized quarrying or mining and transportation. Rule 26 (1), (2) and Explanation to (3) specifically address as to whether quarrying and transportation of minor minerals are carried or not within the meaning of this Rule and sub-rule (4) deals with conviction for unauthorized mining or quarrying.

3. However, under Rule 26 (3) (ii), any person who has used or consumed or is in possession of minor minerals has to produce documentary proof in token of having paid the mineral revenue due to the Government. But explanation under Rule 26 (3) specifically address quarrying and transportation of minor minerals.

4. It has been represented to Government that the penalty is levied on the property owner and not on the building contractor or the material supplier who is expected to pay the seigniorage charges. It has been represented to Government that it is not reasonable to expect that a property owner will have the ability to keep track of payment of seigniorage on all minor minerals consumed in the construction activity over which he/she has no direct control. Once penalty is levied, the property owner has no other option but to file an appeal with the Government which is a time consuming process.

5. Section 15 of the Mines and Minerals (Development and Regulation) Act 1957 gives the power of State Governments to make rules in respect of minor minerals. According to Section 15 (1), "the State Government may, by notification in the official gazette, make rules for regulating the grant of quarry leases, mining leases or other mineral concessions in respect of minor minerals and for purposes connected therewith". Under Section 15 (1-A) read with (g), "In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely: - (g) the fixing and collection of rent, royalty, fees, dead rent, fines or other charges and the time within which and the manner in which these shall be payable". Section 15 (1-A) (g) allows the Government to fix other charges and also the manner in which the other charges shall be collected.

6. The Government, after careful examination, have decided to levy and collect Environment Impact Fee of Rs.3/- per sft be levied on building with an area of more than 10,000 Sq.feet as an additional charge under Section 15 (1-A) (g) of the Mines and Minerals (Development and Regulation) Act 1957 to account for any building or construction material that may have escaped levy of seigniorage charges at source.

7. Accordingly, the Government hereby permit the Builders to pay an Environment Impact Fee @ Rs.3/- per Square feet for buildings above 10,000/- Square feet of built-up area, as per the plan approved by the Competent Authority. The quarry owners who supply the building materials will have to continue to pay Normal Seigniorage Fee at source.

8. The Local Panchayat and Municipal Bodies, Urban Development authorities and other authorities competent to approve building plans shall collect the Environment Impact Fee of Rs. 3/- per sft, where the building with an area of more than 10,000 Sq.ft while sanctioning building plans to account for any building or construction material that may have escaped levy of seigniorage charges at source. The amount may be remitted into the treasury.

9. The Commissioner, Greater Hyderabad Municipal Corporation, the HMDA in HMDA area and all Commissioners of Municipal Corporations shall collect the above said Environment Impact fee of Rs.3/- per sft, where the building with an area more than 10,000 Sq.ft at the time of approval of the plan. The Commissioner & Director of Municipal Administration and Panchayat Raj/Rural Development Departments shall issue necessary instructions to all the Municipalities/ Nagar Panchayats/Gram Panchayats outside of HMDA, GHMC areas to follow the above orders scrupulously. The rules for the utilization of the Impact Fee will be notified separately.

10. The Environmental Impact fee shall be remitted to the Head of Account 0853-Non-Ferrous Mining and Metallurgical Industry, 102-Mineral Concessions, fee, rent, royalties etc., SH(03)-Royalty on Environment Impact fee

11. This order issued with the concurrence of Finance Department vide their U.O.No.1712/189/EBS.VII/2015, dt.05-06-2015.

12. Accordingly, the following Notification shall be published in an Extraordinary issue of the Telangana Gazette, dated 17th June, 2015

NOTIFICATION

In exercise of the powers conferred under Section 15(1-A)(g) of Mines & Minerals (Development & Regulation) Act, 1957, the Government hereby permit the Builders shall pay an Environment Impact Fee @ Rs.3/- per Square feet for buildings above 10,000/- Square feet of built-up area, as per the plan approved by the Competent Authority.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

ARVIND KUMAR
SECRETARY TO GOVERNMENT & CIP

To
The Commissioner, Printing, Stationery and Stores Purchase
(Ptg.wing), Hyderabad for publication in the next issue of Telangana Gazette and to send 100 copies to Government.
The Director of Mines and Geology, Hyderabad
The Director General, General Administration (V&E) Department.
The Principal Secretary to Govt., Municipal Administration & Urban Development Dept.
The Principal Secretary to Govt., Panchayat Raj&Rural Development Department.
The Metropolitan Commissioner, HMDA, Hyderabad.

The Commissioner & Director of Municipal Administration, Hyderabad.
The Commissioner/Director, Panchayat Raj/Rural Development, Hyd.
The Commissioner, Greater Hyderabad Municipal Corporation, Hyd.
All the Commissioners of Municipal Corporations in the State.
All Commissioners of Municipalities/Nagar Panchayats/Gram
Panchayats etc., through the Commissioner & Director of Municipal
Administration and the Commissioner, Panchayat Raj/Rural Development.
The Regional Vigilance & Enforcement Officers through the Director
General, General Administration (V&E) Department.
All the Departments of Telangana Secretariat.

Copy to:

The Principal Secretary to Hon'ble C.M
The P.S to Hon'ble Minister for Mines and Geology.
The P.S. to Chief Secretary to Government.
The P.S. to Spl. Chief Secretary to Government, Finance Dept.,
The P.S. to Secretary to Government & CIP, Ind & Com Dept.,
All the District Collectors in the State.
The Joint Director's/Deputy Director/Assistant Director's of Mines and
Geology Dept., through the Director of Mines & Geology,
Sf/Sc.(C.No. 7022/M.I(2)/2014)

//Forwarded::By order//

SECTION OFFICER