

GOVERNMENT OF TELANGANA
ABSTRACT

MINES & MINERALS – Sand Policy – Creation of Head of Account for remittance of sale proceeds of the Sand by Telangana State Mineral Development Corporation Limited - Orders – Issued.

INDUSTRIES AND COMMERCE (MINES-I) DEPARTMENT

G.O.MS.No. 39.

Dated:10-07-2015.

Read the following :

From the Vice-Chairman & Managing Director, Telangana State Mineral Development Corporation Limited, Lr.No.TSMDC/F&A/Funds/2015/287, dated:18-03-2015.

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In the reference read above, the Vice-Chairman & Managing Director, Telangana State Mineral Development Corporation Limited (TSMDC) has stated that the orders were issued in G.O.Rt.No.38, dated:12-12-2014 and G.O.Ms.No.3, dated:08-01-2015 in Industries and commerce (Mines.I) Department for Sand mining and Sand Mining Rules respectively and entrusted certain responsibilities exclusively to Telangana State Mineral Development Corporation Limited. Accordingly, the Department of Mines & Geology has handed over the sand reaches for sand mining and its sale through Telangana State Mineral Development Corporation Limited at the maximum ceiling price fixed by the Government vide G.O.Ms.No.10, dated 04-02-2015 at various districts ex-stock yard for the present based on the recommendations of DLSC of the concerned district basing on the grade of the sand. In turn, the Corporation has appointed the sand excavation contractors by calling tenders and started the sand excavation and its sales in the State. For the financial year 2015-16, Telangana Government has fixed Rs.500 crores revenue generation from sand sales in the entire Telangana State.

2. The Vice-Chairman & Managing Director, Telangana State Mineral Development Corporation Limited has further stated that to realize 15 lakh CBM of sand, Telangana State Mineral Development Corporation Limited has to make recurring operational expenses of Rs.45 Crores every month. The mentioned expenditure includes raising cost of sand, stockyard maintenance, Bank Guarantee to Assistant Directors of Mines and Geology for obtaining permission to do sand mining, payment of advance Seigniorage Fee, village development fund, District Mineral Trust Fund, VAT and administrative expenses of Telangana State Mineral Development Corporation Limited. Further, to carry out the sand mining activity without any hindrances, Telangana State Mineral Development Corporation Limited require atleast two months recurring operational expenses, which comes to Rs.90.00 crores as one time grants. He has therefore requested the Government to create a Budget head for revenue generated from Sand sales in the State immediately.

3. Government, after careful examination of the matter, hereby permit Telangana State Mineral Development Corporation Limited to retain Sand sale proceeds up to 31st May, 2015 and from 1st June, 2015 onwards and the income of Sand sale proceeds shall be credited to the following Head of Account on monthly basis instead of crediting their collections in Bank Account of Telangana Mineral Development Corporation Limited. The service charges of the Corporation shall be released by Government, after crediting of collections made by Telangana State Mineral Development Corporation Limited in to Government Account; violating this procedure may attract income tax to Corporation, for this responsibility lies with Telangana State Mineral Development Corporation Limited only.

0853 - Non ferrous mining and metallurgical Industries,
MH (102) - Mineral Concession Fees, Rents and Royalties
SH (02) - Royalty on Minerals

[P.T.O.]

4. The Vice-Chairman & Managing Director, Telangana State Mineral Development Corporation Limited shall claim reimbursement of operational expenses on monthly basis from Government duly following all norms of financial prudence.

5. This order issues with the concurrence of Finance Department vide their U.O.No.4631/156/EBS-VII/I&C/2015, dated:16.04.2015.

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

ARVIND KUMAR
SECRETARY TO GOVERNMENT & CIP

To
The Vice-Chairman & Managing Director,
Telangana State Mineral Development Corporation Limited,Hyderabad.

Copy to:

The Director of Mines & Geology, Hyderabad.
The Director of Treasuries, Telangana State, Hyderabad.
The Pay and Accounts Officer, Telangana State, Hyderabad.
The Deputy PAO, Telangana State, Hyderabad.
The Finance (EBS.VII) Department
P.S. to Secretary to Government & CIP, Industries & Commerce Department.
SF/SC (C.No.2221/M.I(1)/2015)

//FORWARDED:: BY ORDER//

SECTION OFFICER