

GOVERNMENT OF TELANGANA
ABSTRACT

Mines & Minerals – Slab System – Certain concessions in levy of Seigniorage fee in respect of Granite useful for Cutting and Polishing and Limestone Slabs in the State of Telangana in view of the recession in the market for a period of 2 years – Orders – Issued.

INDUSTRIES AND COMMERCE (MINES.I) DEPARTMENT

G.O.MS.No. 68

Dated: 26/09/2015.

Read the following:

1. G.O.Ms.No.82, Ind. & Comm (M.I) Deptt., dated.01.03.2009.
2. G.O.Ms.No.104, Ind & Comm (M.I) Deptt., dated 15.05.2009.
3. G.O.Ms.No.105, Ind & Comm. (M.I) Deptt., dated 15.05.2009.
4. G.O.Ms.No.134, Ind & Comm (M.I) Deptt., dated:01.10.2012.
5. Government Memo No.418/M.I(1)/2015, dated:08.07.2015.
6. From the Director of Mines and Geology, Hyderabad Letter No.3305/MR/2014, dated:09.07.2015.

ORDER:

In the G.O. 1st read above, Government introduced the Slab System for collection of Seigniorage fee directly from the Stone Cutting & Polishing Unit Holders and Napa Slab Unit Holders in the State for a period of (2) years on experimental basis to avoid leakage of mineral revenue and also to facilitate simple procedures in realization of revenues which is industrial friendly. Basing on impact on the revenue, the Government shall review and pass appropriate orders whether to continue the system or to switch over to the old system.

2. In the G.O. 2nd read above, amendments were issued to the rule 10 of APMMC Rules, 1966 duly incorporating the provisions for collection of Seigniorage fee under Slab System under rule 10(5)(i),(ii) & (iii).

3. In the G.O. 3rd read above, Government having examined the proposal of the Director of Mines and Geology, Hyderabad, accorded 40% waiver in Seigniorage Fee levied in the 1st year from the date of issue of the order and 20% in the 2nd year in respect of item No.15 i.e., Limestone slabs of all categories & item No.17 i.e., Granite useful for cutting and polishing of all categories of schedule-I under rule 10 of A.P.Minor Mineral Concession Rules, 1966.

4. In the G.O. 4th read above, Government after examining the representations of Granite Industries Associations decided to continue both the permit and slab system to **co- exist** subject to final judgment of Hon'ble High Court in the pending WPs in the interest of streamlining the system of Mineral Revenue collections by stipulating the certain terms and conditions.

5. In the letter 6th read above, the Director of Mines and Geology, Hyderabad has submitted that the Khammam Granite Slab Factory Owners Association represented that due to recession in the market and availability of other alternatives for flooring purpose, irregular shape of granite blocks in the area and due to power crisis, the industry is facing hardship in running the units thereby affecting the employment generated by the industry. Further, stated that around 50,000 workers directly and many more indirectly are dependent on the industry and now the industry itself is in crisis and many of the units are closed due to heavy losses caused due to the above factors and all the entrepreneurs who borrowed loans could not pay back the loans and taken over by the financial institutions. Finally, the Association requested to reduce the slab rate to Rs.5,000 payable under slab system.

[P.T.O]

6. The Director of Mines and Geology, Hyderabad has further reported that a meeting has been held with the officers committee on the issue of continuation of Slab System and extension of rebate/incentives to the small scale industry along with the representatives of Granite cutting and Polishing units, wherein the officials suggested extending the concession that was granted earlier at the time of introduction of Slab System may be considered for another (2) years for revival and sustainability of Granite Slab Industry.

7. The Director of Mines and Geology, Hyderabad, has therefore, requested the Government that extension of rebate under Slab System may be considered, as the industry is in crisis, many of the units are closed due to heavy losses caused due to stiff competition from other alternatives available at a lesser price, impact on employment, dismal market conditions and other problems faced by the processing industry.

8. Government, after careful examination of the entire matter, hereby decided to extend 40% rebate on the rates specified under Schedule-III of the G.O.Ms.No.104, Industries & Commerce (M.I) Department, dt:15.05.2009 for a period of (2) years (prospectively) from the date of issue of this order.

9. The Director of Mines & Geology, Hyderabad shall take further necessary action accordingly.

10. This order issues with the concurrence of Finance Department vide their U.O.No.11350/292/EBS-VII/I&C/2015, dated: 18-09-2015.

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

ARVIND KUMAR
SECRETARY TO GOVERNMENT & CIP

To
The Director of Mines & Geology, T.S. Hyderabad.

Copy to:

All the Zonal Joint Director/Joint Director/Deputy Director/Assistant Director
of Mines and Geology in the State through the Director of Mines and Geology,
Hyderabad

The VC & MD, Telangana State Mineral Development Corporation Ltd., Hyderabad.

The Director General, General Administration (V&E) Department.

All the District Collectors in the State.

The Accountant General A.P. Hyderabad.

The Director, Work and Accounts Department, Hyderabad.

All Pay and Accounts/Assistant Pay and Account offices in the state through

Director, Works and Accounts, Hyderabad

SF/SC(C.No.418/M.I(1)/2015)

//Forwarded: : By order//

SECTION OFFICER