

## **INSTRUCTION FOR FRESH APPLICANTS.**

The procedure of submission of applications for fresh applicants is as:

- I. Application shall be applying online on website of Department of Mines & Minerals Gilgit-Baltistan.
- II. Application processing fee (non-refundable) shall be as per GB Finance Bill or as notified by the Government from time to time.
- III. After deposition of application processing fee (APF), (coordinates shall be mentioned at the backside of Bank challan, otherwise application will not be entertained) shall be submitted within a week, if failed, the deposited APF shall be deemed withdrawn and deposited fee shall not be refundable.
- IV. Application without (APF) shall not be entertained.
- V. The applicant shall submit required documents as per check list and map fee within one month, if failed then the submitted application will be deemed withdrawn, the period shall be extended 15 days only for one time if the applicant satisfied the Director M&M GB with cogent reasons.
- VI. It shall be mandatory that in the work plan for the mining lease the company/firm shall identify the social welfare projects for Corporate Social Responsibility of the community in their respective area against the 10 percent on cost of production, which shall be executed by the same company/firm at his own expenses, during the course of mining activities. If failed to accomplish the identified project within time mentioned in work program in first instance a fine of Rs 50, 000 will be charged and further failure the mining lease shall be withdrawn upon given a chance of hearing and explanation before the Director Mines & Mineral GB.
- VII. To proceed with the issuance of a Work Order in case of Exploration license, the applicant must obtain a Provisional No Objection Certificate (NOC) from the GB-EPA (Gilgit-Baltistan Environmental Protection Agency). This NOC must be submitted within 30 days following the approval of the Exploration License (EL), or within the time frame specified by the Licensing Authority or Director. Failure to provide the NOC within the stipulated period, without providing satisfactory reasons to the Licensing Authority, will result in the withdrawal of the Exploration License approval. In such cases, the application will be deemed refused.
- VIII. To furnish proper No Objection Certificate (NOC) in case of Mining lease from GB-EPA, Forest/Wilde Life Department or other such NOCs shall be mandatory upon the applicant before the issue of Work Order within the 30 days of grant of approval for conversion of EL in to Mining Lease (ML) or within the specified time period by Licensing Authority or Director on behalf it. In case of failure without cogent reasons up to the satisfaction of Licensing Authority or Director, no further time shall be given, and the approval shall be deemed withdrawn, and application shall be treated as refused for grant of Mining Lease or conversion into Mining Lease.

- IX. Lease for gold, silver, precious gemstones and semi-precious gemstone shall not be granted to other than Pakistan national. Any national/foreign Firm/Company shall have a Joint Venture with local Firm/Company for all Minerals title or shall have at least one member from Gilgit Baltistan in its Board of Directors.
- X. Special permission for direct mining of placer gold shall be granted under conditions specified by the Licensing Authority for areas designated for dam construction or similar projects. The maximum area allowed for such permissions or Mining Leases (ML) shall be up to 2 square kilometers.
- XI. The leaseholder must hand over the black sand extracted during gold mining to the department after separating the gold. The department may sell the black sand through auction. Failure to comply may result in a fine ranging from 0.1 million to 0.5 million rupees for the first offense. Repeated non-compliance in subsequent terms will lead to the cancellation of the leaseholder's title.
- XII. Company/Firm shall not be granted more than 4 EL / ML. A maximum 4 E/L or 4 M/L may be granted to a single Company/ firms. If a Company/ Firm establishes a mineral processing plant (metallic mineral) in Gilgit-Baltistan, they may be eligible to obtain more than 4 EL /ML but not exceed to 6 EL/ML.
- XIII. The Licensing Authority may increase up to two times the maximum areas allowed for mineral titles in these rules if the applicant invests a capital of Rupees 500 million and may increase the area further in proportionate to investment beyond Rupees 500 million.
- XIII.

**Overlapping of area:**

- I. In case any overlapping of area found less than 25% with the area of applicant who stood first in merit or with already granted area, shall be asked the overlapping applicant to reduce the area to the extent to remove the overlapping on the same application processing fee, which shall require to submit the removal of overlapping within 15 days of informed of overlapping, otherwise, the area shall not be granted and the application shall be considered refused.
- II. In case of more than 40% area overlapping, the area shall be auctioned as per relevant rules.
- III. If any further short fall discovered by mines committee the concerned divisional/district officer shall inform the applicant to rectify the short comings within prescribed time of 15 days after issuance of notice, if failed application will be treated as null & void.

### **Area for Reconnaissance License.**

Area up to 100 Sq.km in general case and up to 500 Sq.km in special case.

### **Area for Exploration license.**

Following categories shall be for metallic minerals;

**Small scale:** area not exceeding 10 Sq. Km for Metallic Minerals (precious & Semi-precious and base metals).

**Medium Scale:** area not exceeding 20 Sq. Km for Metallic Minerals (precious & Semi-precious and base metals) subject to provision of realistic Business plan for investment of Rs 30.00 million, which shall support by bank balance of equal amount and provide bank guarantee.

**Large Scale:** area not exceeding 60 Sq. Km for Metallic Minerals (precious & Semi-precious and base metals) Subject to provision of realistic Business plan for investment of Rs 90.00 million, which shall support by bank balance of equal amount and provide bank guarantee. The large area will only be offered cater/address the project and investment from national / International investor Area not exceeding 10 Sq. Km for Metallic Minerals (precious & semi-precious and base metals).

**Following Categories Shall be for Dimension Stone (Granite, Marble, Nephrite, and alike minerals);**

**Small Scale:** area not exceeding 2 Sq. Km for dimension stone.

**Medium Scale:** area not exceeding 4 Sq. Km for dimension stone subject to provision of realistic Business plan for investment of Rs 30.00 million, which shall support by bank balance of equal amount and provide bank guarantee.

**Large Scale:** area not exceeding 20 Sq. Km for dimension stone subject to provision of realistic Business plan for investment of Rs 60.00 million, which shall support by bank balance of equal amount and provide bank guarantee. The large area will be cater/address the project and investment from national / International investor.

**Following Categories shall be for Limestone for Cement Manufacturing;**

**Small scale:** area not exceeding 10. Sq. Km for limestone for cement manufacturing.

**Medium scale:** area not exceeding 20 Sq. Km for limestone for cement manufacturing, subject to provision of realistic Business plan for investment of Rs 20.00 million, which shall support by bank balance of equal amount and provide bank guarantee.

**Large Scale:** area not exceeding 40 Sq. Km for limestone for cement manufacturing. subject to provision of realistic Business plan for investment of Rs 40.00 million, which shall support by

bank balance of equal amount and provide bank guarantee. The large area will be cater/address the project and investment from national / International investor.

**Following Categories shall be for Industrial Minerals:** group (Phosphate, Soapstone, Clay, Gypsum, Serpentine, Quartz, Silica sand and alike Minerals or shall declare by Licensing authority through notification.

**Small scale:** area not exceeding 4 Sq. Km for industrial mineral groups.

**Medium scale:** area not exceeding 10 Sq. Km for industrial mineral groups, subject to provision of realistic Business plan for investment of Rs 20.00 million, which shall support by bank balance of equal amount and provide bank guarantee.

**Large scale:** area not exceeding 40 Sq. Km for industrial mineral groups subject to provision of realistic Business plan for investment of Rs 40.00 million, which shall support by bank balance of equal amount and provide bank guarantee. The large area will be cater/address the project and investment from national / International investor.

**The Following Categories shall be for Placer Gold;**

**Small scale:** area not exceeding 5 Sq. Km for placer gold.

**Medium scale:** area not exceeding 10 Sq. Km for placer gold, subject to provision of realistic Business plan for investment of Rs 20.00 million, which shall support by bank balance of equal amount and provide bank guarantee.

**Large scale:** area not exceeding 20 Sq. Km for placer gold. Subject to provision of realistic Business plan for investment of Rs 40.00 million, which shall support by bank balance of equal amount and provide bank guarantee. The large area will be cater/address the project and investment from national / International investor.

**Minerals Deposit Retention License (MRDL).**

The area granted for exploration license.

**AREA FOR MINING LEASE.**

- i) The maximum area for mining lease shall be half ( $\frac{1}{2}$ ) of the area (in size) granted for exploration under the provision of rule 23, sub-rule (1) class (i) for each category and type (small, medium, and large scale), other conditions mentioned in the same rule of 23(1)(i) will be applicable for mining lease. The remaining area shall be granted to the same company if interested subject to submission of additional realistic business plan of Rs. 20 million within one month otherwise the area shall be auctioned as per relevant rules.

**(ii) Category for Minor Minerals** (sand, Bajari, Gravels, boulders, and alike minerals):

**a. Small scale Mining:** Area not exceeding 50 Acres for Minor Minerals for 5 years, by charging of lump sum of Rs 30,000 as granting fee and Rs 50,000 as royalty/per year. Renewable for further two years (Rs 20,000 renewal fee).

**b. Medium scale Mining:** Area not exceeding 100 Acres for Minor Minerals for 5 years, by charging of lump sum of Rs 60,000 as granting fee and Rs 100,000 as royalty/per year. Renewable for a further two years (Rs 40,000 renewal fee).

**c. Large Scale Mining:** Area not exceeding 200 Acres for Minor Minerals for 5 years, by charging of lump sum of Rs 120,000 as granting fee and Rs 200,000 as royalty/per year. Renewable for further two years (Rs 80,000 renewal fee).

Note: Yearly rent shall be charged as per schedule 2.

**iii. Category for Gemstone Mining Lease;** Only GB Domicile holder will be eligible to apply for the Lease subject to fulfillment of all codal formalities.

**a. Small scale Mining:** Area not exceeding 50 Acres for Gemstones (precious and semi-precious) for 5 years, by charging of lump sum of Rs 50,000 as granting fee and Rs 50,000 as royalty (Yearly) for semi- precious and Rs. 100,000 as granting fee and Rs. 100000 as royalty (yearly) for precious stone. Renewable for a further two years (Rs 25,000 renewal fee for semi-precious and Rs 50,000/ for precious per year.

**b. Medium Scale Mining:** Area not exceeding 100 Acres for Gemstones (precious and semi-precious) for 5 years, by charging of lump sum of Rs 100,000 as granting fee and Rs 100,000 as royalty (Yearly) for semi-precious and Rs. 200,000 as granting fee and Rs. 200000 as royalty (yearly) for precious stone. Renewable for a further two years (Rs 50,000 renewal fee for semi-precious and Rs 100000/ for precious gem stone per year.

**c. Large scale Mining:** Area not exceeding 200 Acres for Gemstones (precious and semi-precious) for 5years, by charging of lump sum of Rs 300,000 as granting fee and Rs 300,000 as royalty (Yearly) for semi-precious and Rs. 400,000 as granting fee and Rs. 400000 as royalty (yearly) for precious stone. Renewable for a further two years (Rs 100,000 renewal fee for semi-precious and Rs 200000/ for precious per year.

**INCENTIVE.** Other requirements like performance guarantee and security deposit shall be exempted only in gemstone mining.

**Gemstone Mining Permit (GMP):** Individual/groups who own the gemstone mine at its respective locality/village shall obtain Gemstone Mining Permit from the Mineral Department Gilgit Baltistan for mining of gemstones. This provision shall be permissible to the local peoples of the subject area only to encourage legal mining practices in the GB. The procedure for grant of GMP shall be;

**(i) Application:**

**a)** A simple application along with gemstones mining application fee (GMAF) of Rs 5,000, or notified by the Licensing Authority (nonrefundable), shall be submitted to Directorate of Mines & Minerals GB. The application shall clearly mention the name of area, village, district, and name of owner/s.

**b)** The application shall be accompanied by the ID card/s of the applicant/s, at least one coordinate of the mine.

**(ii) Process of Application:**

On receipt of the application and bank challan the Directorate of Mines & Minerals GB shall process the case and evaluate with respect to record that the mine is applied/granted or vacant.

**(a)** Issue of GM Permit: On receipt of approval of Licensing Authority, subject to deposit of Rs. 50000 as granting fee, the Directorate shall issue the Permit, with or without specific directions.

**(b) Duration/period of GM Permit:**

The initial period for GM Permit shall be Five years. Another three years can be extended based on performance.

**(c) Lump sum Royalty and other charges:** Rs 50000/year shall be charged in advance as royalty and other charges. No other charges shall be required to submit for this permit.

**(d) Renewal:** Application for renewal shall be submitted sixty days before the expiry date.

**(e) Termination:** The permit shall be terminated or cancelled on failure of apply for renewal or violation of any directions of the department or become defaulter, subject to give a chance of hearing or written justification.

**(f) Exemptions:** Other than mentioned requirements in the sub rule (5), shall be exempted.

**(g) Limit of GM Permit:** An individual/group shall hold two mines simultaneously and shall be separate GM Permit for each mine.

**(h) Gap between Mines:** The gap between two adjacent mines shall be up to 25 meters or shall decide by the constituted committee by the Director.

**(i) Community rights:**

The Gemstone Mining Permit (GMP) holder shall pay 3% of the sale price of extracted gemstone (in GB) to local community and shall deposit in designated community bank account in GB.

## **REGISTRATION OF TRADERS.**

A registration card shall issue by the Directorate of Mines & Minerals GB after approval of licensing authority to,

(i) Transport of precious, semi-precious gemstones, natural form of silica (SiO<sub>2</sub>) occurring in crystalline, amorphous, or impure forms (opal but shall not include sand), and salajeet to other then lease holders.

(ii) Those who desire to transport Nephrite, granite and other boulder/s found at river sides. The License or lease holder of that side shall be given preference for issuance of Registration Card.

(iii) Nephrite, granite, and other boulders found on any Private Land (owned by a person/s duly having legal documents) shall hold a registration card for selling or transportation of the nephrite boulders.

(iv) The gemstones purchased from the holder of GMP, or GMP holder itself desire to transport the gemstone down country, shall not pay the royalty (as it shall have been paid already in lump sum as per rule 44.

(v) The prove or receipt of purchase from the holder of GMP shall provide by the Registration Card holder.

(vi) Transportation without holding of card and due process as per these rules shall be dealt with according to rule 171.