Panaji, 4th February, 2016 (Magha 15, 1937)

OFFICIAL GAZETTE
GOVERNMENT OF GOA
PUBLISHED BY AUTHORITY

NOTE
There are two Extraordinary issues to the Official Gazette, Series I No. 44 dated 28-1-2016, as follows:—

(1) Extraordinary dated 29-1-2016 from pages 1505 to 1506 regarding levy of Fuel & Power Purchase Cost Adjustment for 3rd quarter of FY 2015-16— Not. No. 120/03/J ERC-F PPCA/CEE/Tech from Department of Power (Office of the Chief Electrical Engineer).

(2) Extraordinary (No. 2) dated 29-1-2016 from pages 1507 to 1510 regarding Draft Rules— The Corporation of the City of Panaji (Election) (Second Amendment) Rules, 2016— Not. No. 11/22/2015-DMA/2817 from Department of Urban Development (Municipal Administration).

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GOVERNMENT OF GOA
Department of Finance
Revenue & Control Division

Notification
1-49-2015-16/DSSL/Part/PAPER/1910

Read: (1) The Government Notification No. JS (Bud)/32/2010 dated 23rd December, 2011, published in the Official Gazette,

Suggestions are welcome on e-mail: dirnigpps.goa@nic.in

In exercise of the powers conferred by sub-rule (1) of rule 6 of the Goa Lotteries (Regulation) Rules, 2003, read with rule 3 of the Lotteries (Regulation) Rules, 2010 and in supersession of all the Government Notifications and the Corrigendum cited above, the Government of Goa hereby frames the following paper lottery scheme, namely:-

**Government of Goa**

**Everest Weekly Lottery**

<table>
<thead>
<tr>
<th>Lottery Name</th>
<th>Everest Weekly Lottery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Draw Day</td>
<td>Every Saturday</td>
</tr>
<tr>
<td>Draw Date</td>
<td>05-03-2016 Onwards</td>
</tr>
<tr>
<td>Draw Time</td>
<td>04:30 PM Onwards</td>
</tr>
<tr>
<td>Draw No.</td>
<td>145 Onwards</td>
</tr>
<tr>
<td>Series</td>
<td>GW721 to GW725 Onwards</td>
</tr>
<tr>
<td>MRP</td>
<td>20</td>
</tr>
<tr>
<td>Total Ticket</td>
<td>100000</td>
</tr>
<tr>
<td>Total Ticket (In Each Series)</td>
<td>20000</td>
</tr>
<tr>
<td>Ticket Numbering (In Each Series)</td>
<td>10000 to 29999</td>
</tr>
<tr>
<td>Face Value</td>
<td>2000000</td>
</tr>
<tr>
<td>Ticket Size</td>
<td>10 cm. * 19.5 cm.</td>
</tr>
<tr>
<td>Paper Quality</td>
<td>120 GSM Chromo Art</td>
</tr>
<tr>
<td>Pinning</td>
<td>50 Tickets</td>
</tr>
</tbody>
</table>

**Prize**

<table>
<thead>
<tr>
<th>Prize Rank</th>
<th>Prize No.</th>
<th>Prize Amount (Rs.)</th>
<th>Total Prize Amount</th>
<th>Prize Payout (%)</th>
<th>Draw Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>300000</td>
<td>300000</td>
<td>15</td>
<td>One five digit number will be drawn from any one series out of sold numbers only.</td>
</tr>
<tr>
<td>2</td>
<td>5</td>
<td>10000</td>
<td>50000</td>
<td>2.5</td>
<td>One five digit number will be drawn from each series and it should not match with higher rank.</td>
</tr>
<tr>
<td>3</td>
<td>10</td>
<td>5000</td>
<td>50000</td>
<td>2.5</td>
<td>One four digit number will be drawn from each series and it should not match with higher rank.</td>
</tr>
<tr>
<td>4</td>
<td>10</td>
<td>3000</td>
<td>30000</td>
<td>1.5</td>
<td>One four digit number will be drawn from each series and it should not match with higher rank.</td>
</tr>
<tr>
<td>5</td>
<td>10</td>
<td>2000</td>
<td>20000</td>
<td>1</td>
<td>One four digit number will be drawn from each series and it should not match with higher rank.</td>
</tr>
<tr>
<td>6</td>
<td>10</td>
<td>1000</td>
<td>10000</td>
<td>0.5</td>
<td>One four digit number will be drawn from each series and it should not match with higher rank.</td>
</tr>
</tbody>
</table>
Ten four digit number will be drawn common to all series and it should not match with higher rank.

One hundred four digit number will be drawn common to all series and it should not match with higher rank.

One thousand four digit number will be drawn common to all series and it should not match with higher rank.

Place of Draw: Directorate of Small Savings and Lotteries, Serra Building, Next to All India Radio, Altinho, Panaji, Goa 403001

Name and Address of Marketing Agent: Summit Online Trade Solutions Pvt. Ltd. G-1, “A” Wing, Austin Plaza, Altinho, Panaji, Goa-403001.

Email: contact@sugaldamani.com

This notification shall come into force with immediate effect.

By order and in the name of the Governor of Goa.

Ajit S. Pawaskar, Under Secretary, Finance (R&C).


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Debt Management Division

Press Communique

1-45-96/Fin(DMU)P.F-I

Goa State Development Loan, 2016

It is notified for general information that the outstanding balance of 7.65% Goa State Development Loan, 2016 issued in terms of the Government of Goa, Finance Department, Notification No. 1-45-2005-Fin (Bud) dated February 22, 2006, will be repaid at par on February 28, 2016 with interest due up to and including February 28, 2016. In the event of a holiday being declared on the aforesaid date by any State Government under the Negotiable Instruments Act, 1881, the loan will be repaid by the paying offices in that State on the previous working day. No interest will accrue on the loan from and after February 28, 2016.

2. As per sub-regulation 24 (2) and 24 (3) of Government Securities Regulations, 2007 payment of maturity proceeds to the registered holder of Government Security held in the form of Subsidiary General Ledger or Constituent Subsidiary General Ledger account or Stock Certificate shall be made by a pay order incorporating the relevant particulars of his bank account or by credit to the account of the holder in any bank having facility of receipt of funds through electronic means. For the purpose of making payment in respect of the securities, the original subscriber or the
subsequent holders of such a Government Securities, as the case may be, shall submit to the Bank or Treasury and Sub-Treasury or branch of State Bank of India, or its subsidiary banks where they are enfaced/registered for payment of interest, as the case may be, the relevant particulars of their bank account.

3. However, in the absence of relevant particulars of bank account/mandate for receipt of funds through electronic means, to facilitate repayment on the due date, holders of 7.65% Goa State Development Loan, 2016, should tender their securities at the Public Debt Office, 20 days in advance. The securities should be tendered for repayment, duly discharged on the reverse thereof as under:

“Received the Principal due on the Certificate”.

4. It should be particularly noted that at places where the treasury work is done by a branch of the State Bank of India or any of its associate banks, the securities, if they are in the form of Stock Certificates, should be tendered at the branch of the bank concerned and not at the Treasury or Sub-Treasury.

5. Holders who wish to receive payment at places other than those where the securities have been enfaced for payment should send them duly discharged to the Public Debt Office concerned by Registered and Insured Post. The Public Debt Office will make payment by issuing a draft payable at any Treasury/Sub-Treasury or branch of State Bank of India or its associate banks conducting Government Treasury work in the State of Goa.

Meenakshi S. Gad, Joint Secretary (DMU).
THE CITIZENSHIP (AMENDMENT) ACT, 2015

2. Amendment of section 2.— In the Citizenship Act, 1955 (herein- 57 of 1955. after referred to as the principal Act), in section 2, in sub-section (1), for clause (ee), the following clause shall be substituted, namely:-

'(ee) “Overseas Citizen of India Cardholder” means a person registered as an Overseas Citizen of India Cardholder by the Central Government under section 7A’.

3. Amendment of section 5.—In the principal Act, in section 5,—

(i) in sub-section (1),—

(a) in clause (f), for the words “has been residing in India for one year”, the words “is ordinarily resident in India for twelve months” shall be substituted;

(b) in clause (g),—

(A) for the words “Overseas Citizen of India”, the words “Overseas Citizen of India Cardholder” shall be substituted;

(B) for the words “has been residing in India for one year”, the words “is ordinarily resident in India for twelve months” shall be substituted;

(ii) after sub-section (1), the following sub-section shall be inserted, namely:—

"(1A) The Central Government, if it is satisfied that special circumstances exist, may after recording the circumstances in writing, relax the period of twelve months, specified in clauses (f) and (g) and clause (i) of Explanation 1 of sub-section (1), up to a maximum of thirty days which may be in different breaks.”.

4. Substitution of new sections for sections 7A, 7B, 7C and section 7D.— In the principal Act, for sections 7A, 7B, 7C and section 7D, the following sections shall be substituted, namely:—

"7A. Registration of Overseas Citizen of India Cardholder.— (1) The Central
Government may, subject to such conditions, restrictions and manner as may be prescribed, on an application made in this behalf, register as an Overseas Citizen of India Cardholder—

(a) any person of full age and capacity,—

(i) who is a citizen of another country, but was a citizen of India at the time of, or at any time after the commencement of the Constitutions; or

(ii) who is citizen of another country, but was eligible to become a citizen of India at the time of the commencement of the Constitution; or

(iii) who is a citizen of another country, but belonged to a territory that became part of India after the 15th day of August, 1947; or

(iv) who is a child or a grandchild or a great grandchild of such a citizen; or

(b) a person, who is a minor child of a person mentioned in clause (a); or

(c) a person, who is a minor child, and whose both parents are citizens of India or one of the parents is a citizen of India; or

(d) spouse of foreign origin of a citizen of India or spouse of foreign origin of an Overseas Citizen of India Cardholder registered under section 7A and whose marriage has been registered and subsisted for a continuous period of not less than two years immediately preceding the presentation of the application under this section:

Provided that for the eligibility for registration as an Overseas Citizen of India Cardholder, such spouse shall be subjected to prior security clearance by a competent authority in India:

Provided further that no person, who or either of whose parents or grandparents or great grandparents is or had been a citizen of Pakistan, Bangladesh or such other country as the Central Government may, by notification in the Official Gazette, specify, shall be eligible for registration as an Overseas Citizen of India Cardholder under this sub-section.

(2) The Central Government may, by notification in the Official Gazette, specify the date from which the existing Persons of Indian Origin Cardholders shall be deemed to be Overseas Citizens of India Cardholders.

Explanation.— For the purposes of this sub-section, “Persons of the Indian Origin Cardholders” means the persons registered as such under notification number 26011/4/98 F.I., dated the 19th August, 2002, issued by the Central Government in this regard.

(3) Notwithstanding anything contained in sub-section (1), the Central Government may, if it is satisfied that the special circumstances exist, after recording the circumstances in writing, register a person as an Overseas Citizen of India Cardholder.

7B. Conferment of rights on Overseas Citizen of India Cardholder.— (1) Notwithstanding anything contained in any other law for the time being in force, an Overseas Citizen of India Cardholder shall be entitled to such rights, other than the rights specified under sub-section (2), as the Central Government may, by notification in the Official Gazette, specify in this behalf.

(2) An Overseas Citizen of India Cardholder shall not be entitled to the rights conferred on a citizen of India—

(a) under article 16 of the Constitution with regards to equality of opportunity in matters of public employment;

(b) under article 58 of the Constitution for election as President;
(c) under article 66 of the Constitution for election as Vice-President;

(d) under article 124 of the Constitution for appointment as a Judge of the Supreme Court;

(e) Under article 217 of the Constitution for appointment as a Judge of the High Court;

(f) under section 16 of the Representation of the People Act, 1950 in regard to registration as a voter;

(g) under sections 3 and 4 of the Representation of the People Act, 1951 with regard to the eligibility for being a member of the House of the People or of the Council of States, as the case may be;

(h) under sections 5, 5A and section 6 of the Representation of the People Act, 1951 with regard to the eligibility for being a member of the Legislative Assembly or the Legislative Council, as the case may be, of a State;

(i) for appointment to public services and posts in connection with affairs of the Union or of any State except for appointment in such services and posts as the Central Government may, by special order in that behalf, specify.

(3) Every notification issued under sub-section (1) shall be laid before each House of Parliament.

7C. Renunciation of Overseas Citizen of India Card.— (1) If any Overseas Citizen of India Cardholder of full age and capacity makes in prescribed manner a declaration renouncing the Card registering him as an Overseas Citizen of India Cardholder, the declaration shall be registered by the Central Government, and upon such registration, that person shall cease to be an Overseas Citizen of India Cardholder.

(2) Where a person ceases to be an Overseas Citizen of India Cardholder under sub-section (1), the spouse of foreign origin of that person, who has obtained Overseas Citizen of India Card under clause (d) of sub-section (1) of section 7A, and every minor child of that person registered as an Overseas Citizen of India Cardholder shall thereupon cease to be an Overseas Citizen of India Cardholder.

7D. Cancellation of registration as Overseas Citizen of India Cardholder.— The Central Government may, by order, cancel the registration granted under sub-section (1) of section 7A, if it is satisfied that—

(a) the registration as an Overseas Citizen of India Cardholder was obtained by means of fraud, false representation or the concealment of any material fact; or

(b) the Overseas Citizen of India Cardholder has shown disaffection towards the Constitution, as by law established; or

(c) the Overseas Citizen of India Cardholder has, during any war in which India may be engaged, unlawfully traded or communicated with an enemy or been engaged in, or associated with, any business or commercial activity that was to his knowledge carried on in such manner as to assist an enemy in that war; or

(d) the Overseas Citizen of India Cardholder has, within five years after registration under sub-section (1) of section 7A, been sentenced to imprisonment for a term of not less than two years; or

(e) it is necessary so to do in the interests of the sovereignty and integrity of India, the security of India, friendly relations of India with any foreign country, or in the interests of the general public; or

(f) the marriage of an Overseas Citizen of India Cardholder, who has obtained such
Card under clause (d) of sub-section (1) of section 7A,—

(i) has been dissolved by a competent court of law or otherwise; or

(ii) has not been dissolved but, during the subsistence of such marriage, he has solemnised marriage with any other person.”.

5. Amendment of section 18.—In the principal Act, in section 18, in sub-section (2), after clause (ee), the following clauses shall be inserted, namely:

“(eea) the conditions and the manner subject to which a person may be registered as an Overseas Citizen of India Cardholder under sub-section (1) of section 7A;

(eeb) the manner of making declaration for renunciation of Overseas Citizen of India Card under sub-section (1) of section 7C;”.

6. Amendment of Third Schedule.—In the principal Act, in the Third Schedule, in clause (c), the following proviso shall be inserted, namely:

“Provided that if the Central Government is satisfied that special circumstances exist, it may, after recording the circumstances in writing, relax the period of twelve months up to a maximum of thirty days which may be in different breaks.”.

7. Repeal and savings.—(1) The Citizenship (Amendment) Ordinance, 2015 is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of the principal Act, as amended by this Act.

Notification
10/2/2015-LA/392

The Public Premises (Eviction of Unauthorised Occupants) Amendment Act, 2015 (Central Act No. 2 of 2015), which has been passed by the Parliament and assented to by the President on 13-03-2015 and published in the Gazette of India, Extraordinary, Part II, section 1, dated 14-03-2015, is hereby published for the general information of the public.

Julio Barbosa Noronha, Under Secretary (Law).


THE PUBLIC PREMISES (EVICTION OF UNAUTHORISED OCCUPANTS) AMENDMENT ACT, 2015

AN ACT

further to amend the Public Premises (Eviction of Unauthorised Occupants) Act, 1971.

Be it enacted by Parliament in the Sixty-sixth Year of the Republic of India as follows:

1. Short title and commencement.—(1) This Act may be called the Public Premises (Eviction of Unauthorised Occupants) Amendment Act, 2015.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. Amendment of section 2.—In the Public Premises (Eviction of Unauthorised Occupants) Act, 1971 40 of 1971. (hereinafter referred to as the principal Act), in section 2, in clause (e), in sub-clause (2),—

(A) in item (i), for the words and figures “the Companies Act, 1956”, the words and figures “the Companies Act, 2013” shall be substituted;

(B) in item (ii), for the words and figures “the Companies Act,
1956", the words and figures "the Companies Act, 2013" shall be substituted;

(C) for item (iii), the following items shall be substituted, namely:

'(iii) any company as defined in clause (20) of section 2 of the Companies Act, 2013 in which not less than fifty-one per cent, of the paid up capital is held partly by the Central Government and partly by one or more State Governments and includes a company which is a subsidiary (within the meaning of that Act) of the first-mentioned company and which carries on the business of public transport including metro railway.

Explanation.— For the purposes of this item, "metro railway" shall have the same meaning as assigned to it in clause (i) of sub-section (1) of section 2 of the Metro Railway (Operation and Maintenance) Act, 2002;

(iiia) any University established or incorporated by any Central Act;

(D) for item (v), the following item shall be substituted, namely:

"(v) any Board of Trustees or any successor company constituted under or referred to in the Major Port Trusts Act, 1963;"

(E) in sub-clause (3),—

(a) in item (i), for the words "Municipal Corporation", the words, brackets and figures "Council as defined in clause (9) of section 2 of the New Delhi Municipal Council Act, 1994 or 44 of 1994.

Corporation or Corporations notified under sub-section (1) of section 3 of the Delhi Municipal Corporation Act, 1957," shall be substituted;

(b) after item (iii), the following item shall be inserted, namely:

'(iv) any premises belonging to, or taken on lease by, or on behalf of any Government company as defined in clause (45) of section 2 of the Companies Act, 2013.

Explanation.— For the purposes of this clause, the expression, “State Government” occurring in clause (45) of the said section shall mean the Government of the National Capital Territory of Delhi,

(F) in clause (fa),—

(a) in sub-clause (ii), after the words, brackets and figures "in item (i) of sub-clause (2)", the words, brackets and figures "and in item (iv) of sub-clause (3)"

(b) in sub-clause (v), for the word "Corporation", the words, “Council Corporation or Corporations” shall be substituted.

3. Amendment of section 4.— In section 4 of the principal Act,—

(a) for sub-section (1), the following sub-sections shall be substituted, namely:

"(1) If the estate officer has information that any person is in unauthorised occupation of any public premises and that he should be evicted, the estate officer shall issue in the manner hereinafter provided a notice in writing within seven working days from the date of receipt of the information regarding the unauthorised occupation calling upon
the person concerned to show cause why 
an order of eviction should not be made.

(1A) If the estate officer knows or has 
reasons to believe that any person is in 
authorised occupation of the public 
premises, then, without prejudice to the 
provisions of sub-section (1), he shall 
forthwith issue a notice in writing calling 
upon the person concerned to show 
cause why an order of eviction should 
not be made.

(1B) Any delay in issuing a notice 
referred to in sub-sections (1) and (1A) 
shall not vitiate the proceedings under 
this Act.”;

(b) in sub-section (2), in clause (b), in 
sub-clause (i), for the words “earlier than”, 
the words “later than” shall be substituted.

4. Amendment of section 5.— In section 5 of 
the principal Act,—

(a) for sub-section (1), the following sub-
section shall be substituted, namely:—

“(1) If, after considering the cause, if 
any, shown by any person in pursuance 
of a notice under section 4 and any 
evidence produced by him in support of 
the same and after personal hearing, if 
any, given under sub-clause (ii) of clause 
(b) of sub-section (2) of section 4, the 
estate officer is satisfied that the public 
premises are in unauthorised occupation, 
the estate officer shall make an order of 
eviction, for reasons to be recorded 
therein, directing that the public premises 
shall be vacated, on such date as may be 
specified in the order but not later than 
fifteen days from the date of the order, 
by all persons who may be in occupation 
thereof or any part thereof, and cause a 
copy of the order to be affixed on the 
outer door or some other conspicuous part 
of the public premises:

Provided that every order under this 
sub-section shall be made by the estate 
officer as expeditiously as possible and all 
endeavour shall be made by him to 
issue the order within fifteen days of the 
date specified in the notice under sub-
section (1) or sub-section (1A), as the 
case may be, of section 4.”;

(b) after sub-section (2), the following 
proviso shall be inserted, namely:—

“Provided that if the estate officer is 
satisfied, for reasons to be recorded in 
writing, that there exists may compelling 
reason which prevents the person from 
vacating the premises within fifteen days, 
the estate officer may grant another 
fifteen days from the date of expiry of the 
order under sub-section (1) to the person 
to vacate the premises.”.

5. Amendment of section 7.— In section 7 of 
the principal Act,—

(a) in sub-section (2A), for the words 
“simple interest”, the words “compound 
interest” shall be substituted;

(b) in sub-section (3), for the words 
“within such time as may be specified in 
the notice”, the words “within seven days 
from the date of issue thereof” shall be 
substituted;

(c) after sub-section (3), the following 
sub-section shall be inserted, namely:—

“(4) Every order under this section 
shall be made by the estate officer as 
expeditiously as possible and all 
deavour shall be made by him to issue 
the order within fifteen days of the date 
specified in the notice.”.

6. Amendment of section 9.— In section 9 of 
the principal Act,—

(a) in sub-section (2), for the proviso, the 
following proviso shall be substituted, 
namely:—

“Provided that the appellate officer may 
entertain the appeal in exceptional cases 
after the expiry of the said period, if he 
is satisfied for reasons to be recorded in 
writing that there was compelling 
reasons which prevented the person from 
filling the appeal in time.”;
(b) for sub-section (4), the following sub-section shall be substituted, namely:

“(4) Every appeal under this section shall be disposed of by the appellate officer as expeditiously as possible and every endeavour shall be made to dispose of the appeal finally within one month from the date of filing the appeal, after providing the parties an opportunity of being heard.”.

Notification

10/2/2015-LA/393

The Motor Vehicles (Amendment) Act, 2015 (Central Act No. 3 of 2015), which has been passed by Parliament and assented to by the President on 19-03-2015 and published in the Gazette of India, Extraordinary, Part II, section 1, dated 20-03-2015, is hereby published for the general information of the public.

Julio Barbosa Noronha, Under Secretary (Law).


THE MOTOR VEHICLES (AMENDMENT) ACT, 2015

AN ACT

further to amend the Motor Vehicles Act, 1988.

Be it enacted by Parliament in the Sixty-sixth Year of the Republic of India as follows:

1. Short title and commencement.— (1) This Act may be called the Motor Vehicles (Amendment) Act, 2015.

(2) It shall be deemed to have come into force on the 7th day of January, 2015.

2. Insertion of new section 2A.—

In the Motor Vehicles Act, 1988 59 of 1988. (hereinafter referred to as the principal Act), after section 2, the following section shall be inserted, namely:

‘2A. E-cart and e-rickshaw.— (1) Save as otherwise provided in the proviso to sub-section (1) of section 7 and sub-section (10) of section 9, the provisions of this Act shall apply to e-cart and e-rickshaw.

(2) For the purposes of this section, “e-cart or e-rickshaw” means a special purpose battery powered vehicle of power not exceeding 4000 watts, having three wheels for carrying goods or passengers, as the case may be, for hire or reward, manufactured, constructed or adapted, equipped and maintained in accordance with such specifications, as may be prescribed in this behalf.’.

3. Amendment of section 7.— In the principal Act, in section 7, in sub-section (1), the following proviso shall be inserted, namely:

“Provided that nothing contained in this sub-section shall apply to an e-cart or e-rickshaw.”.

4. Amendment of section 9.— In the principal Act, in section 9, after sub-section (9), the following sub-section shall be inserted, namely:

“(10) Notwithstanding anything contained in this section, the driving licence to drive e-cart or e-rickshaw shall be issued in such manner and subject to such conditions, as may be prescribed.”.

5. Amendment of section 27.— In the principal Act, in section 27,—

(i) clause (a) shall be renumbered as clause (aa) thereof and before clause (aa) as so renumbered, the following clause shall be inserted, namely:

“(a) specifications relating to e-cart and e-rickshaw under sub-section (2) of section 2A;”;

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(ii) after clause (f), the following clause shall be inserted, namely:—

“(ff) the manner and the conditions subject to which the driving licence may be issued under sub-section (10) of section 9;”.

6. Repeal and saving.— (1) The Motor Vehicles (Amendment) Ordinance, 2015, is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

Notification

10/2/2015-LA/400

The Mines and Minerals (Development and Regulation) Amendment Act, 2015 (Central Act No. 10 of 2015), which has been passed by Parliament and assented to by the President on 26-03-2015 and published in the Gazette of India, Extraordinary, Part II, Section 1, dated 27-03-2015, is hereby published for the general information of the public.

J ulio Barbosa Noronha, Under Secretary (Law).


THE MINES AND MINERALS (DEVELOPMENT AND REGULATION) AMENDMENT ACT, 2015

AN ACT

further to amend the Mines and Minerals (Development and Regulation) Act, 1957.

Be it enacted by Parliament in the Sixty-sixth Year of the Republic of India as follows:—

1. Short title and commencement.— (1) This Act may be called the Mines and Minerals (Development and Regulation) Amendment Act, 2015.

(2) It shall be deemed to have come into force on the 12th day of January, 2015.

2. Amendment of section 3.— In the Mines and Minerals (Development and Regulation) Act, 1957 (hereinafter referred to as the principal Act), in section 3,—

(i) after clause (e), the following clause shall be inserted, namely:—

‘(ea) “notified minerals” means any mineral specified in the Fourth Schedule;’;

(ii) after clause (g), the following clause shall be inserted, namely:—

‘(ga) “prospecting licence-cum-mining lease” means a two state concession granted for the purpose of undertaking prospecting operations followed by mining operations;’;

(iii) in clause (hb), the word “and”, occurring at the end, shall be omitted;

(iv) after clause (hb), the following clause shall be inserted, namely:—

‘(hc) “Special Court” means a Court of Session designated as Special Court under sub-section (1) of section 30B; and’.

3. Amendment of section 4.— In section 4 of the principal Act, in the second proviso to sub-section (1), for the words and figures “section 617 of the Companies Act, 1956”, the words, brackets and figures “clause (45) of section 2 of the Companies Act, 2013, and any such entity that may be notified for this purpose by the Central Government” shall be substituted.

4. Amendment of section 4A.— In section 4A of the principal Act, in sub-section (4), for the provisos, the following provisos shall be substituted, namely:—
“Provided that the State Government may, on an application made by the holder of such lease before it lapses and on being satisfied that it will not be possible for the holder of the lease to undertake mining operations or to continue such operations for reasons beyond his control, make an order, within a period of three months from the date of receiving of such application, subject to such conditions as may be prescribed, to the effect that such lease shall not lapse:

Provided further that such lease shall lapse on failure to undertake mining operations or inability to continue the same before the end of a period of six months from the date of the order of the State Government:

Provided also that the State Government may, on an application made by the holder of a lease submitted within a period of six months from the date of its lapse and on being satisfied that such non-commencement or discontinuance was due to reasons beyond the control of the holder of the lease, revive the lease within a period of three months from the date of receiving the application from such prospective or retrospective date as it thinks fit but not earlier than the date of lapse of the lease:

Provided also that no lease shall be revived under the third proviso for more than twice during the entire period of the lease.”.

5. Amendment of section 5.— In section 5 of the principal Act,—

(A) in sub-section (1),—

(i) in clause (a), for the words, brackets and figures “sub-section (1) of section 3 of the Companies Act, 1956”, the 1 of 1956. words, brackets and figures “clause (20) of section 2 of the Companies Act, 2013” shall be 18 of 2013. substituted;

(ii) for the proviso, the following proviso shall be substituted, namely:—

(B) in sub-section (2),—

(i) for clause (a), the following clause shall be substituted, namely:—

“(a) there is evidence to show the existence of mineral contents in the area for which the application for a mining lease has been made in accordance with such parameters as may be prescribed for this purpose by the Central Government;”;

(ii) after clause (b), the following proviso shall be inserted, namely:—

“Provided that a mining lease may be granted upon the filing of a mining plan in accordance with a system established by the State Government for preparation, certification, and monitoring of such plan, with the approval of the Central Government.”.

6. Amendment of section 6.— In section 6 of the principal Act, in sub-section (1), in clause (b), for the proviso, the following proviso shall be substituted, namely:—

“Provided that if the Central Government is of the opinion that in the interest of the development of any mineral or industry, it is necessary so to do, it may, for reasons to be recorded in writing, increase the aforesaid area limits in respect of prospecting licence or mining lease, in so far as it pertains to any particular mineral, or to any specified category of deposits of such mineral, or to any particular mineral located in any particular area.”.

7. Substitution of new section for section 8.— For section 8 of the principal Act, the following section shall be substituted, namely:—
8. Periods for which mining leases may be granted or renewed.— (1) The provisions of this section shall apply to minerals specified in Part A of the First Schedule.

(2) The maximum period for which a mining lease may be granted shall not exceed thirty years:

Provided that the minimum period for which any such mining lease may be granted shall not be less than twenty years.

(3) A mining lease may be renewed for a period not exceeding twenty years with the previous approval of the Central Government.

8A. Period of grant of a mining lease for minerals other than coal, lignite and atomic minerals.— (1) The provisions of this section shall apply to minerals other than those specified in Part A and Part B of the First Schedule.

(2) On and from the date of the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, all mining leases shall be granted for the period of fifty years.

(3) All mining leases granted before the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 shall be deemed to have been granted for a period of fifty years.

(4) On the expiry of the lease period, the lease shall be put up for auction as per the procedure specified in this Act.

(5) Notwithstanding anything contained in sub-sections (2), (3) and sub-section (4), the period of lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, where mineral is used for captive purpose, shall be extended and be deemed to have been extended up to a period ending on the 31st March, 2030 with effect from the date of expiry of the period of renewal last made or till the completion of renewal period, if any, or a period of fifty years from the date of grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with.

(6) Notwithstanding anything contained in sub-sections (2), (3) and sub-section (4), the period of lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, where mineral is used for other than captive purpose, shall be extended and be deemed to have been extended up to a period ending on the 31st March, 2020 with effect from the date of expiry of the period of renewal last made or till the completion of renewal period, if any, or a period of fifty years from the date of grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with.

(7) Any holder of a lease granted, where mineral is used for captive purpose, shall have the right of first refusal at the time of auction held for such lease after the expiry of the lease period.

(8) Notwithstanding anything contained in this section, the period of mining leases, including existing mining leases, of Government companies or corporations shall be such as may be prescribed by the Central Government.

(9) The provisions of the section, notwithstanding anything contained therein, shall not apply to a mining lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, for which renewal has been rejected, or which has been determined, or lapsed.

9. Insertion of new sections 9B and 9C.— After section 9A of the principal Act, the following sections shall be inserted, namely:

9B. Period of grant of a mining lease for minerals other than coal, lignite and atomic minerals.— (1) The provisions of this section shall apply to minerals other than those specified in Part A and Part B of the First Schedule.

(2) On and from the date of the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, all mining leases shall be granted for the period of fifty years.

(3) All mining leases granted before the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 shall be deemed to have been granted for a period of fifty years.

(4) On the expiry of the lease period, the lease shall be put up for auction as per the procedure specified in this Act.

(5) Notwithstanding anything contained in sub-sections (2), (3) and sub-section (4), the period of lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, where mineral is used for captive purpose, shall be extended and be deemed to have been extended up to a period ending on the 31st March, 2030 with effect from the date of expiry of the period of renewal last made or till the completion of renewal period, if any, or a period of fifty years from the date of grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with.

(6) Notwithstanding anything contained in sub-sections (2), (3) and sub-section (4), the period of lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, where mineral is used for other than captive purpose, shall be extended and be deemed to have been extended up to a period ending on the 31st March, 2020 with effect from the date of expiry of the period of renewal last made or till the completion of renewal period, if any, or a period of fifty years from the date of grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with.

(7) Any holder of a lease granted, where mineral is used for captive purpose, shall have the right of first refusal at the time of auction held for such lease after the expiry of the lease period.

(8) Notwithstanding anything contained in this section, the period of mining leases, including existing mining leases, of Government companies or corporations shall be such as may be prescribed by the Central Government.

(9) The provisions of the section, notwithstanding anything contained therein, shall not apply to a mining lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, for which renewal has been rejected, or which has been determined, or lapsed.
9B. District Mineral Foundation.— (1) In any district affected by mining related operations, the State Government shall, by notification, establish a trust, as a non-profit body, to be called the District Mineral Foundation.

(2) The object of the District Mineral Foundation shall be to work for the interest and benefit of persons, and areas affected by mining related operations in such manner as may be prescribed by the State Government.

(3) The composition and functions of the District Mineral Foundation shall be such as may be prescribed by the State Government.

(4) The State Government while making rules under sub-sections (2) and (3) shall be guided by the provisions contained in article 244 read with Fifth and Sixth Schedules to the Constitution relating to administration of the Scheduled Areas and Tribal Areas and the Provisions of the Panchayats (Extension to the Scheduled Areas) Act, 1996 and the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006.

(5) The holder of a mining lease or a prospecting licence-cum-mining lease granted on or after the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, shall, in addition to the royalty, pay to the District Mineral Foundation of the district in which the mining operations are carried on, an amount not exceeding the royalty paid in terms of the Second Schedule in such manner and subject to the categorisation of the mining leases and the amounts payable by the various categories of lease holders, as may be prescribed by the Central Government.

9C. National Mineral Exploration Trust.— (1) The Central Government shall, by notification, establish a Trust, as a non-profit body, to be called the National Mineral Exploration Trust.

(2) The object of the Trust shall be to use the funds accrued to the Trust for the purposes of regional and detailed exploration in such manner as may be prescribed by the Central Government.

(3) The composition and functions of the Trust shall be such as may be prescribed by the Central Government.

(4) The holder of a mining lease or a prospecting license-cum-mining lease shall pay to the Trust, a sum equivalent to two per cent. of the royalty paid in terms of the Second Schedule, in such manner as may be prescribed by the Central Government.

10. Insertion of new sections 10A, 10B, and 10C.— After section 10 of the principal Act, the following sections shall be inserted, namely:—

“10A. Rights of existing concession holders and applicants.— (1) All applications received prior to the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, shall become ineligible.

(2) Without prejudice to sub-section (1), the following shall remain eligible on and from the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015:—
(a) applications received under section 11A of this Act;

(b) where before the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 a reconnaissance permit or prospecting licence has been granted in respect of any land for any mineral, the permit holder or the licensee shall have a right for obtaining a prospecting licence followed by a mining lease, or a mining lease, as the case may be, in respect of that mineral in that land, if the State Government is satisfied that the permit holder or the licensee, as the case may be,—

(i) has undertaken reconnaissance operations or prospecting operations, as the case may be, to establish the existence of mineral contents in such land in accordance with such parameters as may be prescribed by the Central Government;

(ii) has not committed any breach of the terms and conditions of the reconnaissance permit or the prospecting licence;

(iii) has not become ineligible under the provisions of this Act; and

(iv) has not failed to apply for grant of prospecting licence or mining lease, as the case may be, within a period of three months after the expiry of reconnaissance permit or prospecting licence, as the case may be, or within such further period not exceeding six months as may be extended by the State Government;

(c) where the Central Government has communicated previous approval as required under sub-section (1) of section 5 for grant of a mining lease, or if a letter of intent (by whatever name called) has been issued by the State Government to grant a mining lease, before the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, the mining lease shall be granted subject to fulfillment of the conditions of the previous approval or of the letter of intent within a period of two years from the date of commencement of the said Act:

Provided that in respect of any mineral specified in the First Schedule, no prospecting licence or mining lease shall be granted under clause (b) of this sub-section except with the previous approval of the Central Government.

10B. Grant of mining lease in respect of notified minerals through auction.— (1) The provisions of this section shall not be applicable to cases covered by section 10A or section 17A or to minerals specified in Part A or Part B of the First Schedule or to land in respect of which the minerals do not vest in the Government.

(2) Where there is inadequate evidence to show the existence of mineral contents of any notified mineral in respect of any area, a State Government may, after obtaining the previous approval of the Central Government, grant a prospecting licence-cum-mining lease for the said notified mineral in such area in accordance with the procedure laid down in section 11.

(3) In areas where the existence of mineral contents of any notified mineral is established in the manner prescribed by the Central Government, the State Government shall notify such areas for grant of mining leases for such notified mineral, the terms and conditions subject to which such mining leases shall be granted, and any other relevant conditions, in such manner as may be prescribed by the Central Government.

(4) For the purpose of granting a mining lease in respect of any notified mineral in such notified area, the State Government shall select, through auction by a method of competitive bidding, including e-auction, an
applicant who fulfils the eligibility conditions as specified in this Act.

(5) The Central Government shall prescribe the terms and conditions, and procedure, subject to which the auction shall be conducted, including the bidding parameters for the selection, which may include a share in the production of the mineral, or any payment linked to the royalty payable, or any other relevant parameter, or any combination or modification of them.

(6) Without prejudice to the generality of sub-section (5), the Central Government shall, if it is of the opinion that it is necessary and expedient to do so, prescribe terms and conditions, procedure and bidding parameters in respect of categories of minerals, size and area of mineral deposits and a State or States, subject to which the auction shall be conducted:

Provided that the terms and conditions may include the reservation of any particular mine or mines for a particular end-use and subject to such condition which allow only such eligible end users to participate in the auction.

(7) The State Government shall grant a mining lease to an applicant selected in accordance with the procedure laid down in this section in respect of such notified mineral in any notified area.

10C. Grant of non-exclusive reconnaissance permits.— (1) Non-exclusive reconnaissance permits may be granted in respect of any notified mineral or non-notified mineral or a group of specified minerals, other than minerals specified in Part A or Part B of the First Schedule, subject to such terms and conditions as may be prescribed by the Central Government.

(2) The holder of such non-exclusive reconnaissance permit shall not be entitled to make any claim for the grant of any prospecting licence-cum-mining lease or a mining lease.”.

11. Substitution of new section for section 11.— For section 11 of the principal Act, the following section shall be substituted, namely:—

“11. Grant of prospecting licence-cum-mining lease through auction in respect of minerals other than notified minerals.— (1) The provisions of this section shall not be applicable to cases covered by section 10A or section 17A or to minerals specified in Part A or Part B of the First Schedule or to land in respect of which minerals do not vest in the Government.

(2) In areas where there is evidence to show the existence of mineral contents as required by clause (a) of sub-section (2) of section 5, the State Government shall grant a mining lease for minerals other than notified minerals following the procedure laid down in section 10B.

(3) In areas where there is inadequate evidence to show the existence of mineral contents as required under clause (a) of sub-section (2) of section 5, the State Government shall grant a prospecting licence-cum-mining lease for minerals other than notified minerals in accordance with the procedure laid down in this section.

(4) The State Government shall notify the areas in which prospecting licence-cum-mining leases shall be granted for any minerals other than notified minerals, the terms and conditions subject to which such prospecting licence-cum-mining leases shall be granted, and any other relevant conditions, in such manner as may be prescribed by the Central Government.

(5) For the purpose of granting prospecting licence-cum-mining leases, the State Government shall select, through auction by method of competitive bidding, including e-auction, an applicant who fulfils the eligibility conditions as specified in this Act.
(6) The Central Government shall prescribe the terms and conditions, and procedure, subject to which the auction shall be conducted, including the bidding parameters for the selection, which may include a share in the production of the mineral, or any payment linked to the royalty payable, or any other relevant parameter, or any combination or modification of them.

(7) Without prejudice to the generality of sub-section (6), the Central Government shall, if it is of the opinion that it is necessary and expedient to do so, prescribe terms and conditions, procedure and bidding parameters in respect of categories of minerals, size and area of mineral deposits and a State or States, subject to which the auction shall be conducted.

(8) The State Government shall grant a prospecting licence-cum-mining lease to an applicant selected in accordance with the procedure laid down in this section.

(9) The holder of a prospecting licence-cum-mining lease shall be required to complete, within the period laid down in section 7, the prospecting operations satisfactorily as specified in the notice inviting applications.

(10) A holder of a prospecting licence-cum-mining lease, who completes the prospecting operation as laid down in sub-section (9) and establishes the existence of mineral contents in the area in conformity with such parameters as may be prescribed for this purpose by the Central Government, shall be required to apply for a mining lease for such area and shall have the right to get the mining lease and thereafter undertake mining operations in accordance with the provisions of this Act.”.

12. Insertion of new sections 11B and 11C.— After section 11A of the principal Act, the following sections shall be inserted, namely:—

“11B. Power of Central Government to make rules for regulating atomic minerals specified under Part B of First Schedule.— The Central Government may, by notification in the Official Gazette, make rules for regulating the grant of mining leases or other mineral concessions in respect of minerals specified in Part B of the First Schedule and for purposes connected therewith, and the State Government shall grant a reconnaissance permit, prospecting licence or mining lease in respect of any such mineral in accordance with such rules.

11C. Power of Central Government to amend First Schedule and Fourth Schedule.— The Central Government may, by notification in the Official Gazette, amend the First Schedule and the Fourth Schedule so as to add or delete any mineral as may be specified in the notification.”.

13. Insertion of new section 12A.— After section 12 of the principal Act, the following section shall be inserted, namely:—

“12A. Transfer of mineral concessions.— (1) The provisions of this section shall not apply to minerals specified in Part A or Part B of the First Schedule.

(2) A holder of a mining lease or a prospecting licence-cum-mining lease granting in accordance with the procedure laid down in section 10B or section 11 may, with the previous approval of the State Government, transfer his mining lease or prospecting licence-cum-mining lease, as the case may be, in such manner as may be prescribed by the Central Government, to any person eligible to hold such mining lease or prospecting licence-cum-mining lease in accordance with the provisions of this Act and the rules made thereunder.

(3) If the State Government does not convey its previous approval for transfer of such mining lease or prospecting licence-cum-mining lease, as the case may be, within a period of ninety days from the date of receiving such notice, if shall be construed that the State Government has no objection to such transfer:
Provided that the holder of the original mining lease or prospecting licence-cum-mining lease shall intimate to the State Government the consideration payable by the successor-in-interest for the transfer, including the consideration in respect of the prospecting operations already undertaken and the reports and data generated during the operations.

(4) No such transfer of a mining lease or prospecting licence-cum-mining lease, referred to in sub-section (2), shall take place if the State Government, within the notice period and for reasons to be communicated in writing, disapproves the transfer on the ground that the transferee is not eligible as per the provisions of this Act:

Provided that no such transfer of a mining lease or of a prospecting licence-cum-mining lease, shall be made in contravention of any condition subject to which the mining lease or the prospecting licence-cum-mining lease was granted.

(5) All transfers effected under this section shall be subject to the condition that the transferee has accepted all the conditions and liabilities under any law for the time being in force which the transferor was subject to in respect of such a mining lease or prospecting licence-cum-mining lease, as the case may be.

(6) The transfer of mineral concessions shall be allowed only for concessions which are granted through auction.”.

14. Amendment of section 13.— In section 13 of the principal Act, in sub-section (2),—

(i) after clause (j), the following clause shall be inserted, namely:\n
“(jj) parameters of existence of mineral contents under clause (a) of sub-section (2) of section 5;”;

(ii) in clause (qq), the word “and” occurring at the end shall be omitted;

(iii) after clause (qq), the following clauses shall be inserted, namely:\n
“(qqa) the amount of payment to be made to the District Mineral Foundation under sub-sections (5) and (6) of section 9B;

(qqb) the manner of usage of funds accrued to the National Mineral Exploration Trust under sub-section (2) of section 9C;

(qqc) the composition and functions of the National Mineral Exploration Trust under sub-section (3) of section 9C;

(qqd) the manner of payment of amount to the National Mineral Exploration Trust under sub-section (4) of section 9C;

(qqe) the terms and conditions subject to which mining leases shall be granted under sub-section (3) of section 10B;

(qqf) the terms and conditions, and procedure, subject to which the auction shall be conducted including the bidding parameters for the selection under sub-section (5) of section 10B;

(qqg) the time limits for various stages in processing applications for grant of mining lease or prospecting licence-cum-mining lease under sections 10B, 11, 11A, 11B, and section 17A, and their renewals;

(qqh) the terms and conditions for grant of non-exclusive reconnaissance permits under sub-section (1) of section 10C;

(qqi) the terms and conditions for grant of prospecting licence-cum-mining leases under sub-section (4) of section 11;

(qqj) the terms and conditions, and procedure, including the bidding parameters for the selection under sub-section (6) of section 11;

(qqk) the amount to be payable by a Government company or corporation, or
a joint venture for grant of mining lease under sub-section (2C) of section 17A; and"

15. Amendment of section 15.— In section 15 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) Without prejudice to sub-sections (1), (2) and sub-section (3), the State Government may, by notification, make rules for regulating the provisions of this Act for the following, namely:—

(a) the manner in which the District Mineral Foundation shall work for the interest and benefit of persons and areas affected by mining under sub-section (2) of section 9B;

(b) the composition and functions of the District Mineral Foundation under sub-section (3) of section 9B; and

(c) the amount of payment to be made to the District Mineral Foundation by concession holders of minor minerals under section 15A.”.

16. Insertion of new section 15A.— After section 15 of the principal Act, the following section shall be inserted, namely:—

“15A. Power of State Government to collect funds for District Mineral Foundation in case of minor minerals.— The State Government may prescribe the payment by all holders of concessions related to minor minerals of amounts to the District Mineral Foundation of the district in which the mining operations are carried on.”.

17. Amendment of section 17A.— In section 17A of the principal Act, after sub-section (2), the following sub-sections shall be inserted, namely:—

“(2A) Where in exercise of the powers conferred by sub-section (1A) or sub-section (2), the Central Government or the State Government, as the case may be, reserves any area for undertaking prospecting or mining operations, the State Government shall grant prospecting licence or mining lease, as the case may be, in respect of such area to such Government company or corporation:

Provided that in respect of any mineral specified in Part A and Part B of the First Schedule, the State Government shall grant the prospecting licence or mining lease, as the case may be, only after obtaining the previous approval of the Central Government.

(2B) Where the Government company or corporation is desirous of carrying out the prospecting operations or mining operations in a joint venture with other persons, the joint venture partner shall be selected through a competitive process, and such Government company or corporation shall hold more than seventy-four per cent. of the paid up share capital in such joint venture.

(2C) A mining lease granted to a Government company or corporation, or a joint venture, referred to in sub-sections (2A) and (2B), shall be granted on payment of such amount as may be prescribed by the Central Government.”.

18. Insertion of new section 20A.— After section 20 of the principal Act, the following section shall be inserted, namely:—

“20A. Power of Central Government to issue directions.— (1) Notwithstanding anything contained in this Act, the Central Government may issue such directions to the State Governments, as may be required for the conservation of mineral resources, or on any policy matter in the national interest, and for the scientific and sustainable development and exploitation of mineral resources.

(2) In particular, and without prejudice to the generality of the foregoing powers, the Central Government may also issue
directions in respect of the following matters, namely:—

(i) improvement in procedure for grant of mineral concessions and to ensure co-ordination among agencies entrusted with according statutory clearances;

(ii) maintenance of internet-based databases including development and operation of a mining tenement system;

(iii) implementation and evaluation of sustainable development frameworks;

(iv) reduction in waste generation and related waste management practices and promotion of recycling of materials;

(v) minimising and mitigating adverse environmental impacts particularly in respect of ground water, air, ambient noise and land;

(vi) ensuring minimal ecological disturbance, in terms of bio-diversity, flora, fauna and habitat;

(vii) promoting restoration and reclamation activities so as to make optimal use of mined out land for the benefit of the local communities; and

(viii) such other matters as may be necessary for the purposes of implementation of this Act.”.

19. Amendment of section 21.—In section 21 of the principal Act, for sub-sections (1) and (2), the following sub-sections shall be substituted, namely:—

“(1) Whoever contravenes the provisions of sub-section (1) or sub-section (1A) of section 4 shall be punishable with imprisonment for a term which may extend to two years and with fine which may extend to five lakh rupees, or with both, and in the case of a continuing contravention, with additional fine which may extend to fifty thousand rupees for every day during which such contravention continues after conviction for the first such contravention.”.

20. Substitution of new section for section 30.— For section 30 of the principal Act, the following section shall be substituted, namely:—

“30. Power of revision by Central Government.— The Central Government may, of its own motion or on an application made within the prescribed time by an aggrieved party,—

(a) revise any order made by a State Government or other authority in exercise of the powers conferred on it by or under this Act with respect to any mineral other than a minor mineral; or

(b) where no such order has been made by the State Government or other authority in exercise of the powers conferred on it by or under this Act with respect to any mineral other than a minor mineral within the time prescribed therefor, pass such order as it may think fit and appropriate in the circumstances:

Provided that in cases covered by clause (b) the Central Government shall, before passing any order under this clause, give an opportunity of being heard or to represent in the matter.”.

21. Insertion of new sections 30B and 30C.— After section 30A of the principal Act, the following sections shall be inserted, namely:—

“30B. Constitution of Special Courts.— (1) The State Government may, for the
purposes of providing speedy trial of offences for contravention of the provisions of sub-section (1) or sub-section (1A) of section 4, constitute, by notification, as many Special Courts as may be necessary for such area or areas, as may be specified in the notification.

(2) A Special Court shall consist of a Judge who shall be appointed by the State Government with the concurrence of the High Court.

(3) A person shall not be qualified for appointment as a judge of a Special Court unless he is or has been a District and Sessions Judge.

(4) Any person aggrieved by the order of the Special Court may prefer an appeal to the High Court within a period of sixty days from the date of such order.

30C. Special Courts to have powers of Court of Session.— Save as otherwise provided in this Act, the Code of Criminal Procedure, 1973, shall apply to the proceedings before the Special Court and for the purpose of the provisions of this Act, the Special Court shall be deemed to be a Court of Session and shall have all powers of a Court of Session and the person conducting a prosecution before the Special Court shall be deemed to be a public prosecutor.”.

22. Amendment of First Schedule.— In the principal Act, in the First Schedule, for the figures and brackets “8(2)”, the figures, brackets, letters and word “8(1), 8A(1), 10A, 10B(1), 10C(1), 11(1), 11B, 11C, 12A(1), and 17A(2A)” shall be substituted.

23. Insertion of a new Schedule.— In the principal Act, after the Third Schedule, the following Schedule shall be inserted, namely:

“THE FOURTH SCHEDULE
[See clause (ea) of section 3]

Notified Minerals
1. Bauxite.
2. Iron ore.
3. Limestone.
4. Manganese ore.”.

24. Power to remove difficulties.— (1) If any difficulty arises in giving effect to the provisions of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of the said Act, as appear to it to be necessary or expedient for removing the difficulty:

Provided that no such order shall be made under this section after the expiry of a period of two years from the commencement of the said Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

25. Repeal and savings.— (1) The Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015, is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of the principal Act, as amended by this Act.

Notification
10/2/2015-LA/402

The Andhra Pradesh Reorganisation (Amendment) Act, 2015 (Central Act No. 12 of 2015), which has been passed by Parliament and assented to by the President on 30-03-2015 and published in the Gazette of
India, Extraordinary, Part II, Section 1, dated 30-03-2015 is hereby published for the general information of the public.

Julio Barbosa Noronha, Under Secretary (Law).


THE ANDHRA PRADESH REORGANISATION (AMENDMENT) ACT, 2015

AN

ACT

further to amend the Andhra Pradesh Reorganisation Act, 2014.

Be it enacted by Parliament in the Sixty-sixth Year of the Republic of India as follows:

1. Short title and commencement.— (1) This Act may be called the Andhra Pradesh Reorganisation (Amendment) Act, 2015.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. Amendment of section 22.— In the Andhra Pradesh Reorganisation Act, 2014 (hereinafter referred to as the principal Act), in section 22, in sub-section (1), for the figures and words “50 members in the Legislative Council of Andhra Pradesh”, the figures and words “58 members in the Legislative Council of Andhra Pradesh” shall be substituted.

3. Amendment of section 23.— In section 23 of the principal Act,—

(i) in sub-section (1), for the figures and words “50 seats in the Legislative Council of Andhra Pradesh”, the figures and words “58 seats in the Legislative Council of Andhra Pradesh” shall be substituted;

(ii) in sub-section (2), in clause (i), for sub-clause (a), the following sub-clause shall be substituted, namely:

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Andhra Pradesh</td>
<td>58</td>
<td>20</td>
<td>5</td>
<td>5</td>
<td>20</td>
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</tr>
</tbody>
</table>

Notification

10/2/2015-LA/424

The Arbitration and Conciliation (Amendment) Ordinance, 2015 (Ordinance No. 9 of 2015) which has been promulgated by the President in the Sixty-sixth Year of the Republic of India and published in the Gazette of India, Extraordinary, Part II, Section I, dated 23-10-2015, is hereby published for the general information of the public.

Julio B. Noronha, Under Secretary (Law).

Porvorim, 15th December, 2015.

MINISTRY OF LAW AND JUSTICE
(Legislative Department)

New Delhi, the 23rd October, 2015/Kartika 1, 1937 (Saka)

THE ARBITRATION AND CONCILIATION (AMENDMENT) ORDINANCE, 2015

No. 9 of 2015

Promulgated by the President in the Sixty-sixth Year of the Republic of India.

An Ordinance to amend the Arbitration and Conciliation Act, 1996.

Whereas Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

Now, therefore, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:
1. Short title and commencement.— (1) This Ordinance may be called the Arbitration and Conciliation (Amendment) Ordinance, 2015.

(2) It shall come into force at once.

2. Amendment of section 2.— In the Arbitration and Conciliation Act, 1996 (hereinafter referred to as the principal Act), in section 2,—

(I) in sub-section (1)—

(A) for clause (e), the following clause shall be substituted, namely:—

‘(e) “Court” means—

(i) in the case of an arbitration other than international commercial arbitration, the principal Civil Court of original jurisdiction in a district, and includes the High Court in exercise of its ordinary original civil jurisdiction to decide the questions forming the subject-matter of the arbitration if the same had been the subject-matter of a suit, but does not include any civil court of a grade inferior to such principal Civil Court, or any Court of Small Causes;

(ii) in the case of international commercial arbitration, the High Court in exercise of its ordinary original civil jurisdiction, having jurisdiction to decide the questions forming the subject-matter of the arbitration if the same had been the subject-matter of a suit, and in other cases, a High Court having jurisdiction to hear appeals from decrees of courts subordinate to that High Court;’;

(B) in clause (f), in sub-clause (iii), the words “a company or” shall be omitted;

(II) in sub-section (2), the following proviso shall be inserted, namely:—

“Provided that subject to an agreement to the contrary, the provisions of sections 9, 27, and clause (a) of sub-section (1) and sub-section (3) of section 37 shall also apply to international commercial arbitration, even if the place of arbitration is outside India, and an arbitral award made or to be made in such place is enforceable and recognised under the provisions of Part II of this Ordinance.”.

3. Amendment of section 7.— In section 7 of the principal Act, in sub-section (4), in clause (b), after the words “or other means of telecommunication”, the words “including communication through electronic means” shall be inserted.

4. Amendment of section 8.— In section 8 of the principal Act,—

(I) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) A judicial authority, before which an action is brought in a matter which is the subject of an arbitration agreement shall, if a party to the arbitration agreement or any person claiming through or under him, so applies not later than the date of submitting his first statement on the substance of the dispute, then, notwithstanding any judgment, decree or order of the Supreme Court or any Court, refer the parties to arbitration unless it finds that prima facie no valid arbitration agreement exists.”;

(ii) in sub-section (2), the following proviso shall be inserted, namely:—

“Provided that where the original arbitration agreement or a certified copy thereof is not available with the party applying for reference to arbitration under sub-section (1), and the said agreement or certified copy is retained by the other party to that agreement, then, the party so applying shall file such application along with a copy of the arbitration agreement and a petition praying the Court to call upon the other party to produce the original arbitration agreement or its duly certified copy before that Court.”.
5. Amendment of section 9.— Section 9 of the principal Act shall be re-numbered as sub-section (1) thereof, and after sub-section (1) as so re-numbered, the following sub-sections shall be inserted, namely:—

“(2) Where, before the commencement of the arbitral proceedings, a Court passes an order for any interim measure of protection under sub-section (1), the arbitral proceedings shall be commenced within a period of ninety days from the date of such order or within such further time as the Court may determine.

(3) Once the arbitral tribunal has been constituted, the Court shall not entertain an application under sub-section (1), unless the Court finds that circumstances exist which may not render the remedy provided under section 17 efficacious.”.

6. Amendment of section 11.— In section 11 of the principal Act,—

(i) in sub-sections (4), (5) and (6), for the words “the Chief Justice or any person or institution designated by him” wherever they occur, the words “the Supreme Court or, as the case may be, the High Court or any person or institution designated by such Court” shall be substituted;

(ii) after sub-section (6), the following sub-sections shall be inserted, namely:—

“(6A) The Supreme Court or, as the case may be, the High Court, while considering any application under sub-section (4) or sub-section (5) or sub-section (6), shall, notwithstanding any judgment, decree or order of any court, confine to the examination of the existence of an arbitration agreement.

(6B) The designation of any person or institution by the Supreme Court or, as the case may be, the High Court, for the purposes of this section shall not be regarded as a delegation of judicial power by the Supreme Court or the High Court.”;

(iii) in sub-section (7), for the words “the Chief Justice or the person or institution designated by him is final”, the words “the Supreme Court or, as the case may be, the High Court or the person or institution designated by such Court is final and no appeal including Letters Patent Appeal shall lie against such decision” shall be substituted;

(iv) for sub-section (8), the following sub-section shall be substituted, namely:—

“(8) The Supreme Court or, as the case may be, the High Court or the person or institution designated by such Court, before appointing an arbitrator, shall seek a disclosure in writing from the prospective arbitrator in terms of sub-section (1) of section 12, and have due regard to—

(a) any qualifications required for the arbitrator by the agreement of the parties; and

(b) the contents of the disclosure and other considerations as are likely to secure the appointment of an independent and impartial arbitrator.”;

(v) in sub-section (9), for the words “the Chief Justice of India or the person or institution designated by him”, the words “the Supreme Court or the person or institution designated by that Court” shall be substituted;

(vi) for sub-section (10), the following sub-section shall be substituted, namely:—

“(10) The Supreme Court or, as the case may be, the High Court, may make such scheme as the said Court may deem appropriate for dealing with matters entrusted by sub-section (4) or sub-section (5) or sub-section (6), to it.”;

(vii) in sub-section (11), for the words “the Chief Justices of different High Courts or their designates, the Chief Justice or his designateto whom the request has been first made”, the words “different High
Courts or their designates, the High Court or its designate to whom the request has been first made” shall be substituted;

(viii) for sub-section (12), the following sub-section shall be substituted, namely:

‘(12) (a) Where the matters referred to in sub-sections (4), (5), (6), (7), (8) and sub-section (10) arise in an international commercial arbitration, the reference to the “Supreme Court or, as the case may be, the High Court” in those sub-sections shall be construed as a reference to the “Supreme Court”; and

(b) where the matters referred to in sub-sections (4), (5), (6), (7), (8) and sub-section (10) arise in any other arbitration, the reference to “the Supreme Court or, as the case may be, the High Court” in those sub-sections shall be construed as a reference to the “High Court” within whose local limits the principal Civil Court referred to in clause (e) of sub-section (1) of section 2 is situate, and where the High Court itself is the Court referred to in that clause, to that High Court.’;

(ix) after sub-section (12), the following sub-sections shall be inserted, namely:

“(13) An application made under this section for appointment of an arbitrator or arbitrators shall be disposed of by the Supreme Court or the High Court or the person or institution designated by such Court, as the case may be, as expeditiously as possible and an endeavor shall be made to dispose of the matter within a period of sixty days from the date of service of notice on the opposite party.

(14) For the purpose of determination of the fees of the arbitral tribunal and the manner of its payment to the arbitral tribunal, the High Court may frame such rules as may be necessary, after taking into consideration the rates specified in the Fourth Schedule.

Explanation.— For the removal of doubts, it is hereby clarified that this sub-section shall not apply to international commercial arbitration and in arbitrations (other than international commercial arbitration) in case where parties have agreed for determination of fees as per the rules of an arbitral institution.”.

7. Insertion of new section 11A.— After section 11 of the principal Act, the following new section shall be inserted, namely:

“11A. Power of Central Government to amend Fourth Schedule.— (1) If the Central Government is satisfied that it is necessary or expedient so to do, it may, by notification in the Official Gazette, amend the Fourth Schedule and thereupon the Fourth Schedule shall be deemed to have been amended accordingly.

(2) A copy of every notification proposed to be issued under sub-section (1), shall be laid in draft before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in disapproving the issue of the notification or both Houses agree in making any modification in the notification, the notification shall not be issued or as the case may be, shall be issued only in such modified form as may be agreed upon by both the Houses of Parliament.”.

8. Amendment of section 12.— In section 12 of the principal Act,—

(i) for sub-section (1), the following sub-section shall be substituted, namely:

“(1) When a person is approached in connection with his possible appointment as an arbitrator, he shall disclose in writing any circumstances,—

(a) such as the existence either direct or indirect, of any past or present
relationship with or interest in any of the parties or in relation to the subject matter in dispute, whether financial, business, professional or other kind, which is likely to give rise to justifiable doubts as to his independence or impartiality; and

(b) which are likely to affect his ability to devote sufficient time to the arbitration and in particular his ability to complete the entire arbitration within a period of twelve months.

Explanation 1.— The grounds stated in the Fifth Schedule shall guide in determining whether circumstances exist which give rise to justifiable doubts as to the independence or impartiality of an arbitrator.

Explanation 2.—The disclosure shall be made by such person in the form specified in the Sixth Schedule.;

(ii) after sub-section (4), the following sub-section shall be inserted, namely.—

“(5) Notwithstanding any prior agreement to the contrary, any person whose relationship, with the parties or counsel or the subject matter of the dispute, falls under any of the categories specified in the Seventh Schedule shall be ineligible to be appointed as an arbitrator:

Provided that parties may, subsequent to disputes having arisen between them, waive the applicability of this sub-section by an express agreement in writing:

Provided further that this sub-section shall not apply to cases where an arbitrator has already been appointed on or before the commencement of the Arbitration and Conciliation (Amendment) Ordinance, 2015.”.

9. Amendment of section 14.— In section 14 of the principal Act, in sub-section (1), in the opening portion, for the words “The mandate of an arbitrator shall terminate and he shall be substituted by another arbitrator, if” shall be substituted.

10. Substitution of new section for section 17.— For section 17 of the principal Act, the following section shall be substituted, namely:

“17. Interim measures ordered by arbitral tribunal.— (1) A party may, during the arbitral proceedings or at any time after the making of the arbitral award but before it is enforced in accordance with section 36, apply to the arbitral tribunal—

(i) for the appointment of a guardian for a minor or person of unsound mind for the purposes of arbitral proceedings; or

(ii) for an interim measure of protection in respect of any of the following matters, namely:—

(a) the preservation, interim custody or sale of any goods which are the subject matter of the arbitration agreement;

(b) securing the amount in dispute in the arbitration;

(c) the detention, preservation or inspection of any property or thing which is the subject-matter of the dispute in arbitration, or as to which any question may arise therein and authorising for any of the aforesaid purposes any person to enter upon any land or building in the possession of any party, or authorising any samples to be taken, or any observation to be made, or experiment to be tried, which may be necessary or expedient for the purpose of obtaining full information or evidence;

(d) interim injunction or the appointment of a receiver;

(e) such other interim measure of protection as may appear to the
arbitral tribunal to be just and convenient,

and the arbitral tribunal shall have the same power for making orders, as the court has for the purpose of, and in relation to, any proceedings before it.

(2) Subject to any orders passed in an appeal under section 37, any order issued by the arbitral tribunal under this section shall be deemed to be an order of the Court for all purposes and shall be enforceable under the Code of Civil Procedure, 1908, in the same manner as if it were an order of the Court.”.

11. Amendment of section 23.— In section 23 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:

“(2A) The respondent, in support of his case, may also submit a counter claim or plead a set-off, which shall be adjudicated upon by the arbitral tribunal, if such counterclaim or set-off falls within the scope of the arbitration agreement.”.

12. Amendment of section 24.— In section 24 of the principal Act, after the proviso to sub-section (1), the following proviso shall be inserted, namely:

“Provided further that the arbitral tribunal shall, as far as possible, hold oral hearings for the presentation of evidence or for oral argument on day-to-day basis, and not grant any adjournments unless sufficient cause is made out, and may impose costs including exemplary costs on the party seeking adjourment without any sufficient cause.”.

13. Amendment of section 25.— In section 25 of the principal Act, in clause (b), at the end, after the words “allegations by the claimant”, the words “and shall have the discretion to treat the right of the respondent to file such statement of defence as having been forfeited” shall be inserted.

14. Amendment of section 28.— In section 28 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely:

“(3) While deciding and making an award, the arbitral tribunal shall, in all cases, take into account the terms of the contract and trade usages applicable to the transaction.”.

15. Insertion of new sections 29A and 29B.— After section 29 of the principal Act, the following new sections shall be inserted, namely:

“29A. Time limit for arbitral award.— (1) The award shall be made within a period of twelve months from the date the arbitral tribunal enters upon the reference.

Explanation.— For the purpose of this sub-section, an arbitral tribunal shall be deemed to have entered upon the reference on the date on which the arbitrator or all the arbitrators, as the case may be, have received notice, in writing, of their appointment.

(2) If the award is made within a period of six months from the date the arbitral tribunal enters upon the reference, the arbitral tribunal shall be entitled to receive such amount of additional fees as the parties may agree.

(3) The parties may, by consent, extend the period specified in sub-section (1) for making award for a further period not exceeding six months.

(4) If the award is not made within the period specified in sub-section (1) or the extended period specified under sub-section (3), the mandate of the arbitrator(s) shall terminate unless the Court has, either prior to or after the expiry of the period so specified, extended the period:
Provided that while extending the period under this sub-section, if the Court finds that the proceedings have been delayed for the reasons attributable to the arbitral tribunal, then, it may order reduction of fees of arbitrator(s) by not exceeding five per cent. for each month of such delay.

(5) The extension of period referred to in sub-section (4) may be on the application of any of the parties and may be granted only for sufficient cause and on such terms and conditions as may be imposed by the Court.

(6) While extending the period referred to in sub-section (4), it shall be open to the Court to substitute one or all of the arbitrators and if one or all of the arbitrators are substituted, the arbitral proceedings shall continue from the stage already reached and on the basis of the evidence and material already on record, and the arbitrator(s) appointed under this section shall be deemed to have received the said evidence and material.

(7) In the event of arbitrator(s) being appointed under this section, the arbitral tribunal thus reconstituted shall be deemed to be in continuation of the previously appointed arbitral tribunal.

(8) It shall be open to the Court to impose actual or exemplary costs upon any of the parties under this section.

(9) An application filed under sub-section (5) shall be disposed of by the Court as expeditiously as possible and endeavour shall be made to dispose of the matter within a period of sixty days from the date of service of notice on the opposite party.

29B. Fast track procedure.— (1) Notwithstanding anything contained in this Act, the parties to an arbitration agreement, may, at any stage either before or at the time of appointment of the arbitral tribunal, agree in writing to have their dispute resolved by fast track procedure specified in sub-section (3).

(2) The parties to the arbitration agreement, while agreeing for resolution of dispute by fast track procedure, may agree that the arbitral tribunal shall consist of a sole arbitrator who shall be chosen by the parties.

(3) The arbitral tribunal shall follow the following procedure while conducting arbitration proceedings under sub-section (1):

(a) The arbitral tribunal shall decide the dispute on the basis of written pleadings, documents and submissions filed by the parties without any oral hearing;

(b) The arbitral tribunal shall have power to call for any further information or clarification from the parties in addition to the pleadings and documents filed by them;

(c) An oral hearing may be held only, if, all the parties make a request or if the arbitral tribunal considers it necessary to have oral hearing for clarifying certain issues;

(d) The arbitral tribunal may dispense with any technical formalities, if an oral hearing is held, and adopt such procedure as deemed appropriate for expeditious disposal of the case.

(4) The award under this section shall be made within a period of six months from the date the arbitral tribunal enters upon the reference.

(5) If the award is not made within the period specified in sub-section (4), the provisions of sub-sections (3) to (9) of section 29A shall apply to the proceedings.

(6) The fees payable to the arbitrator and the manner of payment of the fees
shall be such as may be agreed between the arbitrator and the parties.”.

16. Amendment of section 31.— In section 31 of the principal Act,—

(i) in sub-section (7), for clause (b), the following shall be substituted, namely:—

‘(b) A sum directed to be paid by an arbitral award shall, unless the award otherwise directs, carry interest at the rate of two per cent. higher than the current rate of interest prevalent on the date of award, from the date of award to the date of payment.

Explanation.— The expression “current rate of interest” shall have the same meaning as assigned to it under clause (b) of section 2 of the Interest Act, 14 of 1978.’;

(ii) for sub-section (8), the following sub-section shall be substituted, namely:—

“(8) The costs of an arbitration shall be fixed by the arbitral tribunal in accordance with section 31A.”.

17. Insertion of new section 31A.— After section 31 of the principal Act, the following new section shall be inserted, namely:—

“31A. Regime for costs.— (1) In relation to any arbitration proceeding or a proceeding under any of the provisions of this Act pertaining to the arbitration, the Court or arbitral tribunal, notwithstanding anything contained in the Code of Civil Procedure, 1908, shall have the discretion to determine—

(a) whether costs are payable by one party to another;
(b) the amount of such costs; and
(c) when such costs are to be paid.

Explanation.— For the purpose of this sub-section, “costs” means reasonable costs relating to—

(i) the fees and expenses of the arbitrators, Courts and witnesses;
(ii) legal fees and expenses;
(iii) any administration fees of the institution supervising the arbitration; and
(iv) any other expenses incurred in connection with the arbitral or Court proceedings and the arbitral award,

(2) If the Court or arbitral tribunal decides to make an order as to payment of costs,—

(a) the general rule is that the unsuccessful party will be ordered to pay the costs of the successful party; or
(b) the Court or arbitral tribunal may make a different order for reasons to be recorded in writing.

(3) In determining the costs, the Court or arbitral tribunal shall have regard to all the circumstances, including—

(a) the conduct of all the parties;
(b) whether a party has succeeded partly in the case;
(c) whether the party had made a frivolous counter claim leading to delay in the disposal of the arbitral proceedings; and
(d) whether any reasonable offer to settle the dispute is made by a party and refused by the other party.

(4) The Court or arbitral tribunal may make any order under this section including the order that a party shall pay—

(a) a proportion of another party’s costs;
(b) a stated amount in respect of another party’s costs;
(c) costs from or until a certain date only;

(d) costs incurred before proceedings have begun;

(e) costs relating to particular steps taken in the proceedings;

(f) costs relating only to a distinct part of the proceedings; and

(g) interest on costs from or until a certain date.

(5) An agreement which has the effect that a party is to pay the whole or part of the costs of the arbitration in any event shall be only valid if such agreement is made after the dispute in question has arisen.”.

18. Amendment of section 34.— In section 34 of the principal Act,—

(I) in sub-section (2), in clause (b), for the Explanation, the following Explanations shall be substituted, namely:—

“Explanation I.— For the avoidance of any doubt, it is clarified that an award is in conflict with the public policy of India, only if,—

(i) the making of the award was induced or affected by fraud or corruption or was in violation of section 75 or section 81; or

(ii) it is in contravention with the fundamental policy of Indian law; or

(iii) it is in conflict with the most basic notions of morality or justice.

Explanation 2.— For the avoidance of doubt, the test as to whether there is a contravention with the fundamental policy of Indian law shall not entail a review on the merits of the dispute.”;

(III) after sub-section (4), the following sub-sections shall be inserted, namely:—

“(5) An application under this section shall be disposed of expeditiously, and in any event, within a period of one year from the date on which the notice referred to in sub-section (5) is served upon the other party.”.

19. Substitution of new section for section 36.— For section 36 of the principal Act, the following section shall be substituted, namely:—

“36. Enforcement.— (1) Where the time for making an application to set aside the arbitral award arising out of arbitrations other than international commercial arbitrations, may also be set aside by the Court, if the Court finds that the award is vitiating by patent illegality appearing on the face of the award:

Provided that an award shall not be set aside merely on the ground of an erroneous application of the law or by re-appreciation of evidence.”;

(2) Where an application to set aside the arbitral award has been filed in the Court under section 34, the filing of such an application shall not by itself render that award unenforceable, unless the Court
grants an order of stay of the operation of the said arbitral award in accordance with the provisions of sub-section (3), on a separate application made for that purpose.

(3) Upon filing of an application under sub-section (2) for stay of the operation of the arbitral award, the Court may, subject to such conditions as it may deem fit, grant stay of the operation of such award for reasons to be recorded in writing:

Provided that the Court shall, while considering the application for grant of stay in the case of an arbitral award for payment of money, have due regard to the provisions for grant of stay of a money decree under the provisions of the Code of Civil Procedure, 1908."

20. Amendment of section 37.— In section 37 of the principal Act, in sub-section (1), for clauses (a) and (b), the following clauses shall be substituted, namely:

“(a) refusing to refer the parties to arbitration under section 8;

(b) granting or refusing to grant any measure under section 9;

(c) setting aside or refusing to set aside an arbitral award under section 34.”.

21. Amendment of section 47.— In section 47 of the principal Act, for the Explanation, the following Explanation shall be substituted, namely:

‘Explanation.— In this section and in the sections following in this Chapter, “Court” means the High Court having original jurisdiction to decide the questions forming the subject-matter of the arbitral award if the same had been the subject matter of a suit on its original civil jurisdiction and in other cases, in the High Court having jurisdiction to hear appeals from decrees of courts subordinate to such High Court.’.

22. Amendment of section 48.— In section 48 of the principal Act, for the Explanation to sub-section (2), the following Explanations shall be substituted, namely:

“Explanation 1.— For the avoidance of any doubt, it is clarified that an award is in conflict with the public policy of India, only if,—

(i) the making of the award was induced or affected by fraud or corruption or was in violation of section 75 or section 81; or

(ii) it is in contravention with the fundamental policy of Indian law; or

(iii) it is in conflict with the most basic notions of morality or justice.

Explanation 2.— For the avoidance of doubt, the test as to whether there is a contravention with the fundamental policy of Indian law shall not entail a review on the merits of the dispute.”.

23. Amendment of section 56.— In section 56 of the principal Act, the Explanation shall be renumbered as Explanation 1 thereof, and after the Explanation 1 as so renumbered, the following Explanation shall be inserted, namely:

‘Explanation 2.— In this section and in the sections following in this Chapter, “Court” means the High Court having original jurisdiction to decide the questions forming the subject-matter of the arbitral award if the same had been the subject matter of a suit on its original civil jurisdiction and in other cases, in the High Court having jurisdiction to hear appeals from decrees of courts subordinate to such High Court.’.

24. Amendment of section 57.— In section 57 of the principal Act, in sub-section (1), for the Explanation, the following Explanations shall be substituted, namely:

“Explanation 1.— For the avoidance of any doubt, it is clarified that an award is in conflict with the public policy of India, only if,—
(i) the making of the award was induced or affected by fraud or corruption or was in violation of section 75 or section 81; or

(ii) it is in contravention with the fundamental policy of Indian law; or

(iii) it is in conflict with the most basic notions of morality or justice.

Explanation 2.— For the avoidance of doubt, the test as to whether there is a contravention with the fundamental policy of Indian law shall not entail a review on the merits of the dispute.”.

25. Insertion of new Fourth Schedule, Fifth Schedule, Sixth Schedule and Seventh Schedule.— After the Third Schedule to the principal Act, the following new Schedules shall be inserted, namely:—

THE FOURTH SCHEDULE
[See section 11 (l4)]

<table>
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<th>Sum in dispute</th>
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<tr>
<td>Upto Rs. 5,00,000/-</td>
<td>Rs. 45,000/-</td>
</tr>
<tr>
<td>Above Rs. 5,00,000/- and upto Rs. 20,00,000/-</td>
<td>Rs. 45,000/- plus 3.5 per cent. of the claim amount over and above Rs. 5,00,000/-</td>
</tr>
<tr>
<td>Above Rs. 20,00,000/- and upto Rs. 1,00,00,000/-</td>
<td>Rs. 97,500/- plus 3 per cent. of the claim amount over and above Rs. 20,00,000/-</td>
</tr>
<tr>
<td>Above Rs. 1,00,00,000/- and upto Rs. 10,00,00,000/-</td>
<td>Rs. 3,37,500/- plus 1 per cent. of the claim amount over and above Rs. 1,00,00,000/-</td>
</tr>
<tr>
<td>Above Rs. 10,00,00,000/- and upto Rs. 20,00,00,000/-</td>
<td>Rs. 12,37,500/- plus 0.75 per cent. of the claim amount over and above Rs. 10,00,00,000/-</td>
</tr>
<tr>
<td>Above Rs. 20,00,00,000/-</td>
<td>Rs. 19,87,500/- plus 0.5 per cent. of the claim amount over and above Rs. 20,00,00,000/- with a ceiling of Rs. 30,00,000/-</td>
</tr>
</tbody>
</table>

Note:- In the event, the arbitral tribunal is a sole arbitrator, he shall be entitled to an additional amount of twenty-five per cent. on the fee payable as per the table set out above.

THE FIFTH SCHEDULE
[See section 12 (1)(b)]

The following grounds give rise to justifiable doubts as to the independence or impartiality of arbitrators:

Arbitrator’s relationship with the parties or counsel

1. The arbitrator is an employee, consultant, advisor or has any other past or present business relationship with a party.

2. The arbitrator currently represents or advises one of the parties or an affiliate of one of the parties.

3. The arbitrator currently represents the lawyer or law firm acting as counsel for one of the parties.

4. The arbitrator is a lawyer in the same law firm which is representing one of the parties.

5. The arbitrator is a manager, director or part of the management, or has a similar controlling influence, in an affiliate of one of the parties if the affiliate is directly involved in the matters in dispute in the arbitration.

6. The arbitrator’s law firm had a previous but terminated involvement in the case without the arbitrator being involved himself or herself.

7. The arbitrator’s law firm currently has a significant commercial relationship with one of the parties or an affiliate of one of the parties.

8. The arbitrator regularly advises the appointing party or an affiliate of the appointing party even though neither the arbitrator nor his or her firm derives a significant financial income therefrom.

9. The arbitrator has a close family relationship with one of the parties and in the case of companies with the persons in the management and controlling the company.

10. A close family member of the arbitrator has a significant financial interest in one of the parties or an affiliate of one of the parties.

11. The arbitrator is a legal representative of an entity that is a party in the arbitration.

12. The arbitrator is a manager, director or part of the management, or has a similar controlling influence in one of the parties.
13. The arbitrator has a significant financial interest in one of the parties or the outcome of the case.

14. The arbitrator regularly advises the appointing party or an affiliate of the appointing party, and the arbitrator or his or her firm derives a significant financial income therefrom.

Relationship of the arbitrator to the dispute

15. The arbitrator has given legal advice or provided an expert opinion on the dispute to a party or an affiliate of one of the parties.

16. The arbitrator has previous involvement in the case.

Arbitrator’s direct or indirect interest in the dispute

17. The arbitrator holds shares, either directly or indirectly, in one of the parties or an affiliate of one of the parties that is privately held.

18. A close family member of the arbitrator has a significant financial interest in the outcome of the dispute.

19. The arbitrator or a close family member of the arbitrator has a close relationship with a third party who may be liable to recourse on the part of the unsuccessful party in the dispute.

Previous services for one of the parties or other involvement in the case

20. The arbitrator has within the past three years served as counsel for one of the parties or an affiliate of one of the parties or has previously advised or been consulted by the party or an affiliate of the party making the appointment in an unrelated matter, but the arbitrator and the party or the affiliate of the party have no ongoing relationship.

21. The arbitrator has within the past three years served as counsel against one of the parties or an affiliate of one of the parties in an unrelated matter.

22. The arbitrator has within the past three years been appointed as arbitrator on two or more occasions by one of the parties or an affiliate of one of the parties.

23. The arbitrator’s law firm has within the past three years acted for one of the parties or an affiliate of one of the parties in an unrelated matter without the involvement of the arbitrator.

24. The arbitrator currently serves, or has served within the past three years, as arbitrator in an-other arbitration on a related issue involving one of the parties or an affiliate of one of the parties.

Relationship between an arbitrator and another arbitrator or counsel

25. The arbitrator and another arbitrator are lawyers in the same law firm.

26. The arbitrator was within the past three years a partner of, or otherwise affiliated with, another arbitrator or any of the counsel in the same arbitration.

27. A lawyer in the arbitrator’s law firm is an arbitrator in another dispute involving the same party or parties or an affiliate of one of the parties.

28. A close family member of the arbitrator is a partner or employee of the law firm representing one of the parties, but is not assisting with the dispute.

29. The arbitrator has within the past three years received more than three appointments by the same counsel or the same law firm.

Relationship between arbitrator and party and others involved in the arbitration

30. The arbitrator’s law firm is currently acting adverse to one of the parties or an affiliate of one of the parties.

31. The arbitrator had been associated within the past three years with a party or an affiliate of one of the parties in a professional capacity, such as a former employee or partner.

Other circumstances

32. The arbitrator holds shares, either directly or indirectly, which by reason of number or de-nomination constitute a material holding in one of the parties or an affiliate of one of the parties that is publicly listed.

33. The arbitrator holds a position in an arbitration institution with appointing authority over the dispute.

34. The arbitrator is a manager, director or part of the management, or has a similar controlling
influence, in an affiliate of one of the parties, where the affiliate is not directly involved in the matters in dispute in the arbitration.

Explanation 1.— The term “close family member” refers to a spouse, sibling, child, parent or life partner.

Explanation 2.— The term “affiliate” encompasses all companies in one group of companies including the parent company.

Explanation 3.— For the removal of doubts, it is clarified that it may be the practice in certain specific kinds of arbitration, such as maritime or commodities arbitration, to draw arbitrators from a small, specialised pool. If in such fields it is the custom and practice for parties frequently to appoint the same arbitrator in different cases, this is a relevant fact to be taken into account while applying the rules set out above.

THE SIXTH SCHEDULE

[See section 12(1)(b)]

Name:

Contact details:

Prior experience (including experience with arbitrations):

Number of on-going arbitrations:

Circumstances disclosing any past or present relationship with or interest in any of the parties or in relation to the subject matter in dispute, whether financial, business, professional or other kind, which is likely to give rise to justifiable doubts as to your independence or impartiality (list out): Circumstances which are likely to affect your ability to devote sufficient time to the arbitration and in particular your ability to finish the entire arbitration within twenty-four months and render an award within three months (list out): ‘.’

THE SEVENTH SCHEDULE

[See section 12(5)]

Arbitrator’s relationship with the parties or counsel

1. The arbitrator is an employee, consultant, advisor or has any other past or present business relationship with a party.

2. The arbitrator currently represents or advises one of the parties or an affiliate of one of the parties.

3. The arbitrator currently represents the lawyer or law firm acting as counsel for one of the parties.

4. The arbitrator is a lawyer in the same law firm which is representing one of the parties.

5. The arbitrator is a manager, director or part of the management, or has a similar controlling influence, in an affiliate of one of the parties if the affiliate is directly involved in the matters in dispute in the arbitration.

6. The arbitrator’s law firm had a previous but terminated involvement in the case without the arbitrator being involved himself or herself.

7. The arbitrator’s law firm currently has a significant commercial relationship with one of the parties or an affiliate of one of the parties.

8. The arbitrator regularly advises the appointing party or an affiliate of the appointing party even though neither the arbitrator nor his or her firm derives a significant financial income therefrom.

9. The arbitrator has a close family relationship with one of the parties and in the case of companies with the persons in the management and controlling the company.

10. A close family member of the arbitrator has a significant financial interest in one of the parties or an affiliate of one of the parties.

11. The arbitrator is a legal representative of an entity that is a party in the arbitration.

12. The arbitrator is a manager, director or part of the management, or has a similar controlling influence in one of the parties.

13. The arbitrator has a significant financial interest in one of the parties or the outcome of the case.

14. The arbitrator regularly advises the appointing party or an affiliate of the appointing party, and the arbitrator or his or her firm
derives a significant financial income therefrom.

**Relationship of the arbitrator to the dispute**

15. The arbitrator has given legal advice or provided an expert opinion on the dispute to a party or an affiliate of one of the parties.

16. The arbitrator has previous involvement in the case.

**Arbitrator’s direct or indirect interest in the dispute**

17. The arbitrator holds shares, either directly or indirectly, in one of the parties or an affiliate of one of the parties that is privately held.

18. A close family member of the arbitrator has a significant financial interest in the outcome of the dispute.

19. The arbitrator or a close family member of the arbitrator has a close relationship with a third party who may be liable to recourse on the part of the unsuccessful party in the dispute.

**Explanation 1.**—The term “close family member” refers to a spouse, sibling, child, parent or life partner.

**Explanation 2.**—The term “affiliate” encompasses all companies in one group of companies including the parent company.

**Explanation 3.**—For the removal of doubts, it is clarified that it may be the practice in certain specific kinds of arbitration, such as maritime or commodities arbitration, to draw arbitrators from a small, specialised pool. If in such fields it is the custom and practice for parties frequently to appoint the same arbitrator in different cases, this is a relevant fact to be taken into account while applying the rules set out above.

PRANAB MUKHERJEE,
President.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.