GOVERNMENTOF ANDHRAPRADESH ABSTRACT

Mines & Minerals – Levy and collection of Green Fee @ Rs.3/- per Sq.feet on the built up area of more than $5{,}000$ sq.feet as per the approved building plan by the Competent Authority - Orders – Issued.

INDUSTRIES AND COMMERCE (MINES.II) DEPARTMENT

G.O.MS.No. 112 Dated: 30-08-2017

Read:-

From the Director of Mines &Geology, Govt. of A.P. single File under e-office No.19159/CREDAI/2015, Dt. 25.07.2017.

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ORDER

The representatives of Confederation of Real Estate Developers Association (CREDAI) and Andhra Pradesh Real Estate Developers Association (APREDA) have represented to the Government that there are regular inspections of shopping malls, multi stored buildings and commercial complexes by the Government Departments such as General Administration (Vigilance & Enforcement) Department and Mines and Geology Department to enquire about the minor minerals consumed in the construction and for production of documentary evidence of payment of seigniorage fee. Further, they have expressed difficulty to keep the records for longer period resulting in imposition of penalty for the minerals consumed by the builders. Finally they came forward voluntarily to pay mining cess for square foot based on the construction area at the time of sanctioning of building plan and requested the Government to fix the same.

- 2. The Director of Mines and Geology, GoAP., Ibrahimpatnam has stated that rule 26 of APMMC Rules, 1966 deals with the penal provisions for unauthorised quarrying, transportation and consumption of minor minerals and rule 26(3)(ii) states that any person who used or consumed or in possession of any mineral including the processed mineral, shall have to produce documentary proof in token of having paid the minerals revenue due to the Government. If any person fails to do so, the penal provisions laid down under Rule 26(3) shall be applicable. Further he has recommended for levy and collection of a green fee of Rs.3/- per sq. foot of the build up area for more than 5000 sq. feet at the time of sanction of building permission by the competent authorities, which is worked out based on the quantity of minor minerals consumed in the construction to avoid inspections of shopping malls, multi storied apartments and commercial complexes by the General Administration (Vigilance & Enforcement) Department and Mines and Geology Department. However, the quarry owners who supply the building materials will have to continue to pay normal seigniorage fee at source.
- 3. Section 15 of the Mines and Minerals (Development and Regulation) Act 1957 gives the power of State Governments to make rules in respect of minor minerals. According to Section 15 (1), "the State Government may, by notification in the official gazette, make rules for regulating the grant of quarry leases, mining leases or other mineral concessions in respect of minor minerals and for purposes connected therewith". Under Section 15 (1-A) read with (g), "In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely: (g) the fixing and collection of rent, royalty, fees, dead rent, fines or other charges and the time within which and the manner in which these shall be payable". Section 15 (1-A) (g) allows the Government to fix other charges and also the manner in which the other charges shall be collected.
- 4. The Government, after careful examination, has decided to levy and collect Green Fee of Rs.3/- per sft on building with an area of more than 5,000 Sq.feet as an additional charge under Section 15 (1A) (g) of the Mines and Minerals (Development and Regulation) Act 1957. The quarry owners who supply the building materials shall continue to pay normal seigniorage fee at source.

- 5. All Municipalities/ Municipal Corporations/ Local Panchayat Bodies / Urban Development authorities and other authorities competent to approve building plans shall collect the Green Fee @ Rs. 3/- per Sq.ft, where the building with an area of more than 5,000 Sq.ft while sanctioning building plans.
- 6. The following notification will be published in an Extra-ordinary issue of the Andhra Pradesh Gazette, **Dated:30.08.2017.**

NOTIFIC ATION

In exercise of the powers conferred by sub-section (1) of section 15 of the Mines and Minerals (Development & Regulation) Act, 1957 (Act 67 of 1957), the Governor of Andhra Pradesh hereby order to levy a Green Fee @ Rs.3/- per square feet and to collect the same by the Municipal Administration & Urban Development Department (MA & UD Dept) / Local Bodies at the time of issue of building permissions in respect of constructions having built up area of more than 5,000 sq. feet which includes the area meant for parking and other allied services such as pathway.

- 2. Green Fee shall be payable by the builders with built-up area more than 5,000 square feet @ Rs.3/- per square feet before approval of the building plan by the competent authority. Green Fee is on account of Building Construction Fee.
- 3. Green Fee shall also be payable for the ongoing construction projects and the completed for which issuance of building possession certificate is pending before the competent authority.
- 4. Green Fee is also payable on voluntary disclosure by the Builders based on the strength of the certificate issued by the licensed engineers by the Government regarding the extent of built-up area.
- 5. The Municipal Administration & Urban Development Department (MA & UD Dept) / Panchayat Raj Department shall issue instructions to all Municipalities/ Municipal Corporations/ Local Panchayat Bodies / Urban Development authorities and other authorities competent to approve building plans for levy and collection of said amount to the following consolidated State Head of Account:

0853 - Non ferrous mines and metallurgical Industries

102 - Rents & Royalties

81 - Other Receipts

- 6. Henceforth, the inspection of shopping malls, multi-stored buildings, commercial complexes and residential buildings by the Government agencies like, General Administration (Vigilance & Enforcement) Department and Mines & Geology Department is dispensed. However, the Quarry owners, who supply the building material, falls under minor minerals shall continue to pay the seignorage fee and other charges at source.
- 7. This order issues with the concurrence of Finance Department, vide their U.O. No.45027/302/2017, Dt.11.08.2017.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B. SREEDHAR SECRETARY TO GOVERNMENT (MINES)

То

The Commissioner of Printing, Stationery & Stores Purchase (Printing Wing),

A.P., Vijayawada (He is requested to publish the above notification in the extraordinary issue of A.P. Gazette and arrange to send copies of the same to Government, Industries & Commerce (M.II) Department).

The Municipal Administration and Urban Development Department.

The Panchayat Raj & Rural Development Department.

The General Administration (Vigilance & Enforcement) Department.

The Director of Mines & Geology, A.P., Ibrahimpatnam, Vijayawada.

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<u>Copy to:</u>
The Secretary to Government of India, Department of Mines, New Delhi.

The Finance Department

The Law (H) Department.

The Industries & Commerce (M.I/M.III) Department.

The P.S. to Prl. Secy. to Ho'n'ble C.M.

The P.S to C.S. to Govt.
The P.S. to Minister (M & G)

The P.S. to Secy. (Mines), Ind. & Comm. Dept. S.F/S.C. (File No.7109/M.II(1)/2017)

//FORWARDED : : BY ORDER//

SECTION OFFICER