



**KARNATAKA LEGISLATIVE ASSEMBLY
FIFTEENTH LEGISLATIVE ASSEMBLY
SEVENTH SESSION**

**THE KARNATAKA REGULATION OF STONE CRUSHERS (AMENDMENT) BILL, 2020
(LA Bill No. 36 of 2020)**

A Bill further to amend the Karnataka Regulation of Stone Crushers Act, 2011.

Whereas it is expedient further to amend the Karnataka Regulation of Stone Crushers Act, 2011 (Karnataka Act 08 of 2012) for the purposes hereinafter appearing;

Be it enacted by the Karnataka State Legislature in the seventy first year of the Republic of India, as follows:-

1. Short title and commencement.-(1) This Act may be called the Karnataka Regulation of Stone Crushers (Amendment) Act, 2020.

(2) It shall come into force with effect from 30th day of March 2020.

2. Amendment of section 2.-In the Karnataka Regulation of Stone Crushers Act, 2011 (Karnataka Act 08 of 2012) (hereinafter referred to as the principal Act), in section 2, in sub-section (1),-

(i) after clause (g), the following shall be inserted, namely:-

“(g-a) “other road” means all other road excluding foot or cart road, and road approaching stone crushers;”

3. Amendment of section 3.- In section 3 of the principal Act, sub-sections (2), (3), (4), (5), (6) and (7) shall be omitted.

4. Amendment of section 4.- In section 4 of the principal Act, after sub-section (1) the following proviso shall be inserted, namely:-

“Provided that, where an applicant has not submitted application three months before the expiry of the licence but makes an application one month before expiry of the licence, it may be accepted for the valid reasons, subject to payment of an additional fee as may be prescribed for expediting the joint inspection and suitability of safer zone and other parameters.”

5. Insertion of new section 4A and 4B.- After section 4 of the principal Act, the following new sections 4A and 4B shall be inserted, namely:-

“4A. Transfer of Crusher license:- (1) In case of transfer of crusher license, the licensee shall apply to the Licensing Authority for transfer of license along with,-

(a) non-refundable application fee of rupees twenty-five thousand as a processing fee;

(b) an affidavit by the transferee stating that he shall abide by all the terms, conditions and liabilities or obligations of the license;

(c) an affidavit stating that intending transferee has filed an up-to-date income tax returns, paid the income tax assessed on him and paid the income tax on the basis of self-assessment as provided under the Income-tax Act, 1961 (Central Act No. 43 of 1961);

(d) The transferee shall furnish the proof of documents for having consent of the owner of land on which such crusher is located. Lease on such land extended by the owner in case of leased land.

(e) an affidavit stating that intending Transferee and transferor have paid all the dues payable to the state Government up to the date of make application for transfer.

Provided that, such transfer shall not be allowed unless a survey demarcation is made by the Deputy Director or Senior Geologist of the concerned District along with licensee and intending transferee at licensee's own expenses.

(2) Where the Licensing authority has given consent for transfer of such license, a transfer of crusher license deed in such form, as may be prescribed, shall be executed within six months from the date of communication or within such further period not exceeding six months as the Licensing Authority may allow in this behalf.

4B. Status of crusher license on death of the licensee.- Where a licensee expires during the currency of crusher license, legal representative shall be eligible for transfer subject to such conditions as may be prescribed.”

6. Substitution of section 5.- section 5 of the principal Act, shall be renumbered as sub-section (1) thereof and,-

(i) in sub-section (1) as to re-numbered, for the words “valid for five years” and for the words “for further period of five years” the words “valid for twenty years” and the words “further period of ten years” shall be substituted.

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

“(2) Subject to payment of such annual regulation fee as may be prescribed, all existing crusher licenses granted before the commencement of Karnataka Stone Crusher Regulation (Amendment) Act, 2020 shall be deemed to have been granted for a period of twenty years from the date of original grant and shall be extended accordingly.

(3) The benefit of extension under sub-section (2) of this section shall also apply,-

(i) for cases where crusher license renewal application was filed before the expiry of such license which is pending consideration before the licensing Authority; and

(ii) for the cases where the licensing Authority has rejected renewal applications solely on the ground of non-filing of such applications three months prior to expiry of such license but has applied for renewal before the expiry of licence as stipulated under sub-

section (1), the renewal under clause (ii) shall be subject to payment of the penalty of rupees two lakh.

(4) Upon expiry of the period of crusher license specified in sub-section (1) and (2) of this section, the Licensing Authority may renew the licence on an application for renewal for further period for ten years.”

7. Amendment of section 6.- In section 6 of the principal Act,-

(i) in sub-section (1), in clause (b), for the word “or” the words “and fifty meter from the limits of ” shall be substituted.

(ii) in sub-section (3), after the proviso the following explanation shall be inserted, namely:-

“Explanation: For the purpose of this Act, any habitation, school, temples or road coming up subsequent to declaration of safer zone shall not affect the operation or continuance of such declaration and shall not affect any extension of licence under section 5.”

8. Amendment of section 6A.- In section 6A of the principal Act, in sub-section (2), after clause (2), the following shall be inserted, namely:-

“(2A) Every licensee shall pay such an annual regulation fee as may be prescribed, with effect from the date of commencement of the Karnataka Regulation of Stone Crushers (Amendment) Act, 2020.”

9. Amendment of section 16.- In section 16 of the principal Act, for sub-section (1) the following shall be substituted, namely:-

“16. Penalties.- (1) whoever contravenes the provisions of section 3 shall on conviction be punished with imprisonment for a term which may extend to two years or with fine which may extend upto of two lakh rupees or with both and in case continuing contravention, with and additional fine which may extend to five thousand rupees for every day during which such contravention continues after first such contravention.

(1A) If Licensee contravenes the conditions of the License shall on conviction be punishable with imprisonment for a term which may extend to one year, or with fine of twenty-five thousand rupees or with both and in case of continuing contravention, with an additional fine which may extend to five hundred rupees for every day during which such contravention continues after first such contravention”.

10. Amendment of section 17.-In section 17 of the principal Act, in sub-section (1), for the words “Licensing Authority”, the words “State Government” shall be substituted.

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

“17-A. Compounding of offences.- (1) Any offence punishable under sub-section (1A) of section 16 may, either before or after the institution of the prosecution, be

compounded by the Deputy Director or Senior geologist of the concerned district belonging to Department of Mines and Geology or an officer designated by Government on payment of amount not exceeding the penalty specified in section 16, for credit to the Government.

(2) Where an offence is compounded under sub-section (1) of this section, no proceedings or further proceeding, as the case may be, shall be taken against the offender in respect of the offence so compounded, and the offender, if in custody, shall be released forthwith.”

12. Repeal and savings.- (1)The Regulation of Stone Crushers (Amendment) Ordinance, 2020 (Karnataka Ordinance 03 of 2020) 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 principal Act, as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

It is considered necessary to amend the Karnataka Regulation of Stone Crushers Act, 2011(Karnataka Act 8 of 2012) to,-

- (i) provide clarity and reduce difficulty faced by the applicant in view of non-description of other road;
- (ii) provide an option with the approval of the licensing authority to the holder of license to transfer the license to some other, who can invest into the business;
- (iii) provide deemed extension of existing stone crushers licence upto twenty years from the date of sanction subject to payment of annual regulation fee;
- (iv) provide deemed extension upto twenty years the licence holder who have made application before expiry and pending for consideration; and
- (v) provide deemed extension upto twenty years in respect of licence rejected solely on the ground that they have not filed renewal application within time limit, but before expiry;
- (vi) provide for compounding of offences under this Act; and
- (vii) certain consequential amendments are also made.

As the matter was urgent and both houses of the Karnataka state legislature were not in a session, the Regulation of Stone Crushers (Amendment) Ordinance, 2020 (Karnataka Ordinance 03 of 2020) was promulgated on 31.03.2020

This Bill seeks to replace the said Ordinance.

Hence the Bill.

FINANCIAL MEMORANDUM

There is no extra expenditure involved in the proposed legislative measure.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 4:	The proviso to sub-section (1) of section 4 sought to be inserted by clause 4, empowers the State Government to make rules regarding additional fee to be paid for renewal of license.
Clause 5:	(i) In sub-section (2) of section 4A sought to be inserted by clause 5, empowers the State Government to make rules regarding form of license deed for transfer of license. (ii) In section 4B sought to be inserted by clause 5, empowers the State Government to make rules regarding the conditions of transfer of stone crusher license on expiry of the licensee.
Clause 6:	Sub-section (2) of section 5 sought to be inserted by clause 6, empowers the State Government to make rules regarding the payment of annual regulation fee for the extension of existing licence.
Clause 8:	Sub-section (2A) of section 6A sought to be inserted by clause 8, empowers the State Government to make rules regarding the payment of annual regulation fee by every licensee.

The proposed delegation of legislative power is normal in character.

C.C. PATIL

Minister for Mines and Geology

M.K. Vishalakshi

Secretary (I/c)

Karnataka Legislative Assembly

EXPLANATORY STATEMENT AS REQUIRED BY SUB-RULE (1) OF RULE 80 OF THE RULES OF PROCEDURE AND CONDUCT OF BUSINESS IN THE KARNATAKA LEGISLATIVE ASSEMBLY.

It is considered necessary to amend the Karnataka Regulation of Stone Crushers Act, 2011(Karnataka Act 8 of 2012), to,-

- (i) provide clarity and reduce difficulty faced by the applicant in view of non-description of other road;
- (ii) provide an option with the approval of the licensing authority to the holder of license to transfer the license to some other, who can invest into the business;
- (iii) provide deemed extension of existing stone crushers licence upto twenty years from the date of sanction subject to payment of annual regulation fee;
- (iv) provide deemed extension upto twenty years the licence holder who have made application before expiry and pending for consideration; and
- (v) provide deemed extension upto twenty years in respect of licence rejected solely on the ground that they have not filed renewal application within time limit, but before expiry;
- (vi) provide for compounding of offences under this Act; and
- (vii) certain consequential amendments are also made.

Since the matter was urgent and the Karnataka Legislative Assembly and the Karnataka Legislative Council were not in session, the Regulation of Stone Crushers (Amendment) Ordinance, 2020 (Karnataka Ordinance 03 of 2020) was promulgated on 31.03.2020 to achieve the above object.

ANNEXURE**The extract from the Karnataka Regulation of Stone Crushers Act, 2011
(Karnataka Act 08 of 2012)****XX****XX****XX**

2. Definitions.-(1) In this Act, unless there is anything repugnant in the subject or context,- **XX** **XX** **XX**

(g) "Licence fee" means the licence fee payable under this Act;

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3. Stone crushers to obtain license.- **XX** **XX** **XX**

(2) Any person who is carrying on the business of stone crusher on the date of commencement of this Act with a license issued by any authority shall apply to the Licencing Authority with a declaration in the prescribed form that the existing area conforms to the condition stipulated in Section 6 or any other suitable area conforming to the conditions stipulated under section 6, within three months from the date of commencement of the Karnataka Regulation of Stone Crushers (Amendment) Act, 2013 for a license under section 4 of the Act

(3) on receipt of the application along with declaration under sub-section (2), the existing stone crusher units may be allowed to function till the grant or refusal of Certificate of compliance of safer zone under sub-section (4) by the Authority or till three months from the date of application, whichever is earlier.

(4) on receipt of application under sub-section (2) or for renewal of license, the Licensing Authority shall cause joint inspection of the location under sub-section (3) of section 6 and declaration of safer zone, the licensing authority shall issue a certificate of compliance of safer zone to the applicant. If the area specified in the declaration is not declared as safer zone the licensing authority shall reject the application for the reasons to be recorded in writing and inform the applicant accordingly. However, applicant is at liberty to make fresh application for alternate location. provided further that if the application is rejected, the applicant shall stop the operation of stone crusher forthwith and submit fresh application to the licensing authority.

(5) If the Licensing Authority issues a certificate of compliance of safer zone, the applicant shall approach the Karnataka State Pollution Control Board and obtain Consent for Operation (CFO) and submit the same to the Licensing Authority.

(6) The Licensing Authority, after production of Consent for Operation (CFO) from the Karnataka State Pollution Control Board by the applicant, shall issue license subject to compliance of conditions specified in section 6A.

(7) If the person having existing stone crusher gets any other place certified as safer zone by the Licensing Authority other than the presently working place, such crusher shall be shifted to such safer zone so certified within one year from the date of grant of certificate of compliance of safer zone under sub-section (4).

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4. Application for license.- (1) Every application for grant or renewal of license to carry on the business of stone crushing under this Act shall be made to the licensing authority in such form, in such manner, accompanied by such documents and such fees as may be prescribed. An application for renewal of license shall be made to the licencing authority three months before the expiry of the license.

(2) on receipt of application for grant or renewal of license, the Licensing Authority shall cause joint inspection of the location under sub-section (3) of section 6. After declaration of safer zone, the licensing authority shall issue a certificate of consent of safer zone to the applicant. If the area proposed in the application is not declared as safer zone, the licensing authority shall reject the application for the reasons to be recorded in writing and inform the applicant accordingly. However, applicant is at liberty to make fresh application for alternate location.

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5. Term of license.- A license shall be valid for a period of 1 [five years] 1 and may be renewed for a further period of 1 [five years] 1 subject to fulfilment of the conditions laid down under this Act or the rules made thereunder.

Explanation.- Where a license has been granted in the middle of a year, for the purpose of computing the term of license, the remaining part of the year shall be deemed to be a year.

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6. Conditions for declaring Safer Zone.- The declaration of safer zone for stone crushers under this Act, shall be subject to the following conditions, namely:-

(1) The safer zone shall not be located within,-

(a) Two hundred meter from the limits of the National Highways or State Highways;

(b) One hundred meter from the limits of major district roads or other roads;

(c) Five hundred meter from revenue village, temples, schools;

(d) The boundary of Municipal Corporations, City Municipal Corporation, Town Municipal Council;

(2) Each stone crusher unit shall be located in a minimum area of one acre of land.

(3) The licensing Authority shall, within a period of three months from the date of receiving application, verify the above conditions through joint inspection from the concerned officers of Mines and Geology, Revenue, Forest department and Environmental officer, Karnataka State Pollution Control Board and declare safer zone within their jurisdiction by notification, specifying the area and its limits.

Provided that the Licensing Authority shall declare the safer zone for existing stone crusher within one month in any case not later than three months from the date of receipt of application.

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16. Penalties.- (1) Whoever contravenes the conditions of license shall be punished with imprisonment for a term which may extend to two years or with fine which may extend to twenty-five thousand rupees or with both.

(2) Any rule made under any provision of this Act may provide that any contravention thereof shall be punishable with imprisonment for a term which may extend to one year, or with fine which may extend to five thousand rupees or with both and in the case of continuing contravention, with an additional fine which may extend to five hundred rupees for every day during which such contravention continues after conviction for the first such contravention.

17. Cognizance of offences.- (1) No court shall take cognizance of an offence punishable under this Act or any rules made thereunder except upon complaint in writing made by a person authorized in this behalf by the Licensing Authority.

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