

THE REGULATION OF MINES AND OIL FIELDS AND MINERAL DEVELOPMENT (FEDERAL CONTROL) ACT, 1948



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SCHEDULE.

THE REGULATION OF MINES AND OIL-FIELDS AND MINERAL DEVELOPMENT (GOVERNMENT CONTROL) ACT, 1948.

¹ACT NO. XXIV OF 1948

[8th January, 1949]

An Act to make provision for certain matters connected with the regulation of mines and oil-fields and mineral development.

WHEREAS it is expedient to make provision for certain matters connected with the regulation of mines and oil-fields and mineral development under ²[Government Control];

AND WHEREAS it appears to the ³[Federal Government] to be expedient in the public interest to make such provision to the extent hereinafter appearing; it is hereby enacted as follows:—

1. Short title, extent and commencement—(1) This Act may be called the Regulation of Mines and

The Act has been applied-

(i) to Baluchistan, see Gaz. of P., 1949, Pt. I, p. 408;

¹ For Statement of Objects and Reasons, see Gaz. of P., 1948, Pt. V, p. 127.

⁽ii) in the Federated Areas of Baluchistan, see ibid., Ext., 1950, p. 512;

⁽iii) to the excluded areas of West Pakistan, with effect from the 21st March, 1956 see Gazette of West Pakistan, 1956, Ext., p. 239; and

⁽iv) to the Special Areas of West Pakistan, with effect from the 22nd March, 1956, see ibid., p. 243.

It has been extended to-

⁽a) the Leased Areas of Baluchistan, see the Leased Areas (Laws) Order, 1950 (G. G. O. 3 of 1950);

⁽b) the Baluchistan States Union, see the Baluchistan States Union (Federal Laws) (Extension) Order, 1953 (G. G. O. 4 of 1953);

⁽c) the Khairpur State, see the Khairpur (Federal Laws) (Extension) Order, 1953 (G. G. O. 5 of 1953); and

⁽d) the State of Bahawalpur, see the Bahawalpur (Extension of Federal Laws) Order, 1953 (G. G. O. 11 of 1953).
The Act has been and shall be deemed to have been brought into force in Gwadur with effect from the 8th September, 1958, by the Gwadur (Application of Central Laws) Ordinance,

² Subs. by A.O., 1964, Art. 2 and Sch., for "Federal Control".

³ Subs. by F.A.O. 1975, Art. 2 and Table, for "Central Government".

of Mines and Oil-fields and Mineral Development ¹[Government Control] Act, 1948.

- ²[(2) It extends to the whole of Pakistan.]
- (3) It shall come into force on such date³ as the ⁴[Federal Government] may, by notification in the official Gazette, appoint in this behalf.

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- ⁶2. Power to make rules. It is hereby declared to be expedient in the public interest that the ⁷[appropriate Government] shall have power to make rules⁸ to provide for all or any of the following matters, namely:—
- (1) the manner in which, and the authority to whom, application for the grant or renewal of an exploration or prospecting licence, a mining lease or other mining concession shall be made, and the prescribing of the fees to be paid on such application;
- (2) the conditions in accordance with which the grant or renewal of an exploration or prospecting licence, a mining lease or other mining concession may be made, and the prescribing of forms for the execution or renewal of such licence, lease, and concession;

¹Subs. by A. O., 1964, Art. 2 and Sch., for "Federal Control".

²Subs. by the Central Laws (Statute Reform) Ordinance, 1960 (21 of 1960), s. 3 and 2nd Sch., for the original sub-section (2) (with effect from the 14th October, 1955).

³ The 1st June, 1949, see Gaz. of P., 1949, Pt. 1, p. 246.

⁴Subs. by F.A.O. 1975, Art. 2 and Table, for "Central Government".

⁵Section IA, which was ins. by the Regulation of Mines and Oil fields Mineral Development (Federal Control) (Amdt.) Ordinance, 1955: (31 of 1955), s. 2, has since been lapsed.

⁶The Amendment in section 2, by Ord. 31 of 1955, s. 3, has since been lapsed.

⁷ Subs. by A. O., 1964, Art. 2 and Sch., for "Central Government".

⁸For the Pakistan Petroleum (Production) Rules, 1949, see Gaz. of P., 1949, Ext., pp. 501-552; for the Natural Gas Rules, 1960, see ibid., 1960 Ext., pp. 949-956; and for the Pakistan Mining Concession Rules, 1960, see ibid., pp. 1107-1166.

- (3) the circumstances under which renewal of a licence, lease or concession as aforesaid may be refused, or any such licence, lease or concession whether granted or renewed may be revoked;
- (4) the determination of the rates at which and the conditions subject to which royalties, rents and taxes shall be paid by licensees, lessees and grantees of mining concessions;
 - (5) the refinement of ores and mineral oils;
 - (6) the control of production, storage and distribution of minerals and mineral oils;
 - (7) the fixation of the prices at which minerals and mineral oils may be bought or sold; and
- (8) any matter ancillary or incidental to the matters set out in the foregoing clauses of this section, and the ¹[appropriate Government] may, by notification in the official Gazette, make rules accordingly.
 - ²[3. Penalties etc. Any rules made under section 2 may provide—
 - (a) that any powers and functions in relation to any of the matters referred to in that section may be exercised and performed, either generally or in specified cases, and in compliance with any general or special

¹Subs. by A. O., 1964, Art. 2 and Sch., for "Central Government".

²Subs. by the Regulation of Mines and Oil-fields and Mineral Development (Government Control) (Amdt.) Ordinance, 1971 (8 of 1971), s. 2.

- Instructions given by the ¹[Federal Government] in that behalf, by an officer or authority specified in the rules; and
- **(b)** that the breach of any of them shall be punishable with imprisonment for a term which may extend to three years, or with fine, or with both.].
- ²[3A. Production sharing agreement. —(1) Notwithstanding anything contained in any other law or rules for the time being in force, the President may enter into an agreement with any company, whether incorporated in Pakistan or out-side Pakistan, for the grant of a licence or lease to explore, prospect and mine petroleum on the basis of a Production Sharing Agreement and on such terms and conditions may be agreed upon between the Federal Government and the company.

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- ³B. Concessions to petroleum exploration companies.—(1) Notwithstanding anything contained in any other law for the time being in force, every company, whether incorporated in Pakistan or outside Pakistan, to whom a licence or a lease to explore, prospect and mine petroleum is granted under this Act, not being a company such as is referred to in sub-section (1) of section 3A, shall be entitled to the concessions specified in the Schedule in addition to any concessions for the time being admissible to it under any other law or the rules made under this Act.
- (2) The Federal Government may, by notification in the official Gazette, amend the Schedule so as to add any concessions thereto or to improve any concessions therein.].
- **4.** Effect of rules etc., inconsistent with other enactments. Any rule made under this Act, and any order made under any such rule, shall have effect notwithstanding anything inconsistent therewith contained in any enactment or in any instrument having effect by virtue of an enactment other than this Act.

¹ Subs. by F.A.O. 1975, Art. 2 and Table, for "Central Government".

²Ins. by the Regulation of Mines and Oil-fields and Mineral Development (Government Control) (Amdt.) Act. 1976 (83 of 1976), s. 2.

³ The Original sub-section (2) omitted by the Finance Act. 1998 (3 of 1998), s. 2A.