

**GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT**

Mines & Minerals – Minor Minerals - Sand –Modified Free Sand Policy 2024 guidelines to enhance availability augment supply of sand and boost the construction sector, to improve the processes for hassle-free supply of free sand duly exempting Seigniorage Fee, DMF and MERIT - Orders – Issued.

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INDUSTRIES & COMMERCE (MINES-III) DEPARTMENT

G.O.MS.No. 66

Dated: 25-10-2024

Read the following:

1. G.O. Ms. No. 43, Ind & Com (MINES-III) Dept, dated 08.07.2024.
2. G.O. Ms. No. 49, Ind & Com (MINES-III) Dept, dated 02.09.2024.
3. G.O. Ms. No. 52, Ind & Com (MINES-III) Dept, dated 14.09.2024.
4. G.O. Ms. No. 59, Ind & Com (MINES-III) Dept, dated 01.10.2024.
5. G.O. Ms. No. 64, Ind & Com (MINES-III) Dept, dated 18.10.2024.
6. From the C&DM&G, AP., e-file bearing No. INC04-26024/50/2024-SAND SECTION-DMG, Dt.22.10.2024 (Computer No. 2594070).

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**ORDER**

In the G.O. 1<sup>st</sup> read above, Government, while withdrawing the prevailing sand policies (New Sand Mining Policy 2019 and Upgraded Sand policy 2021) introduced the Interim Mechanism for supply of sand to the consumers without any revenue to the Government till formulation of Sand Mining Policy 2024 with certain objectives as mentioned therein.

2. In the G.O. 2<sup>nd</sup> read above, Government have introduced revised Free Sand Policy Guidelines as subsequently amended vide G.O. 5<sup>th</sup> read above, to further improve the mechanism ensuring availability and making the process technology based, user friendly and transparent.

3. In the G.O. 3<sup>rd</sup> read above, Government have issued orders with detailed guidelines for de-casting of sand from patta lands and vide G.O.4<sup>th</sup> read above, orders were issued fixing Uniform State Level Transportation Slab Rates to improve the sand supply mechanism.

4. In the single e-file 6<sup>th</sup> read above, the Commissioner and Director of Mines & Geology, AP., has stated that a review meeting was held on 21.10.2024 on the issues being faced in the implementation of the free sand policy with respect to availability, prices, transportation rates, extraction, monitoring etc., specifically on the issue of prevailing high prices of sand in the market affecting the general consumer and construction sector. During the meeting various options to streamline the mechanism for supply of free sand and to ease out the situation of availability of sand at prices which not only make the commodity affordable to general consumer but also reduce the input cost in the infrastructure/construction sector and thereby leading to positive multiplier effect on the State GSDP and employment, were examined. It was observed that exemption of the Seigniorage Fees, DMF & Merit on sand and certain initiatives for facilitation

of extraction of sand for local use, hassle free supply of sand from authorized reaches, establishment of stock yards in districts with no sand availability, strengthening the vigilance mechanism as per MoEF&CC guidelines and other measures to streamline the procedures to prevent black marketing would be reasonable and rational.

5. Accordingly, the Commissioner and Director of Mines & Geology, AP., has submitted a proposal for introduction of Modified Free Sand Policy 2024 and requested the Government to issue necessary further orders in the matter.

6. Government, after careful examination of the entire issue and in continuation of the orders issued vide G.Os 1<sup>st</sup> to 5<sup>th</sup> read above, hereby issue the following Modified Free Sand Policy 2024 guidelines to enhance availability augment supply of sand and boost the construction sector and to improve the processes for hassle-free supply of free sand;

### **Salient Features:**

#### **A. Exemption of Statutory Duties**

- i. Seigniorage Fee, DMF and MERIT on sand currently Rs. 88 per MT is exempted to stimulate the State's construction sector, reduce the input cost and thereby leading to a positive multiplier effect on State GSDP and employment.

#### **B. Extraction of Sand for local uses in the local body areas adjoining the streams**

- i. Customary extraction of sand by the consumers for personal use or community works within the local body areas adjoining the streams is permitted within the provisions under the EIA Notification of MoEF&CC.
- ii. Extraction is permitted through manual methods and transportation through bullock carts/ tractors.
- iii. Transportation of sand from local body areas through mechanical means out of local jurisdiction is not permitted.
- iv. For extraction of sand for local use in the local body areas prior information by consumers online or in GS/ WS should be done.
- v. DMG shall develop an application / portal and provide training to the district level staff who will create awareness at the last mile level.
- vi. The DLSC shall monitor such prior information data and free permit/ receipt generation and designate an officer for each local body who will be responsible for adherence of such process.
- vii. The designated officer shall be provided the details of all free permits/ receipts generated for post verification every fortnight and such officer shall submit the report online to the DLSC after verification.

### **C. Extraction of Sand for consumers (General & Bulk)**

- i. All Consumers (General & Bulk) who do not belong to the local body areas adjoining the streams shall access sand from the authorized supply points (reaches/ de-siltation points, etc..) specified by DLSC having all clearances, as required.
- ii. All such consumers shall register online or register at the authorized supply points in an application / portal developed by DMG and obtain free e-transit form.
- iii. The consumers having e-transit form/ permit shall engage transportation on their own or from the registered vehicle list as provided on the website of DMG at mutually agreed cost which shall not be more than the maximum rates as notified by Government. Such transportation charges shall be paid directly to the transporter by the consumers.
- iv. The consumer and/ or transporter shall approach the sand supply point and take the delivery date and time slot from the in-charge.
- v. The transporter shall approach the reach on the designated slot and can either load the sand directly from the reach using its own manual labour or take assistance from the agency selected by the DLSC for that particular supply point, for which the amount shall be paid by the consumer/ transporter directly to the selected agency as per the rates decided by the DLSC and obtain receipt/ invoice.
- vi. All vehicles transporting sand shall carry banner of "Uchita Isuka Ravana Vahanam" and shall be fitted with GPS. If the vehicle is not fitted with active GPS tracking devices, supply point in-charge shall ensure that driver shall initiate GPS enabled application facility in their mobile phones once vehicle starts from the reach.

### **D. Reach Management**

- i. All sand supply points permitted by DLSC shall be managed by an agency selected by DLSC through a fair and transparent process under the supervision of an in-charge appointed by DLSC.
- ii. The selected agencies in case the consumer with e-transit form/ permit requests assistance from the selected agency for supply of sand, it shall provide such assistance at the cost fixed by DLSC (operational costs, admin charges and other applicable charges) and issue an invoice in the format as prescribed by the DLSC.
- iii. DLSC shall issue operational guidelines for efficient sand operations from time to time, which will be binding on the selected agencies.
- iv. DLSC shall ensure that the selected agencies shall extract the sand duly complying with all the conditions stipulated in the permissions (Approved Mining Plan, Environmental Clearance, CTE/ CTO etc.) as well as all the environmental guidelines issued by MoEF&CC, Orders of Hon'ble NGT, Hon'ble High Court and Hon'ble Supreme Court.
- v. Sand mining operations shall be carried out from 6 AM to 6 PM.
- vi. DLSC may reserve specific supply sources exclusively for Bulk Consumers.

**E. Establishment of stockyards in districts without any sand sources**

- i. State Government/ DMG may direct the DLSC of the districts with surplus sand availability to reserve specific sand source (Reach/ De-siltation Point etc.,) exclusively for supplying sand to districts lacking sand availability.
- ii. The DLSC of the districts without any sand sources shall recommend the DMGO Concerned to provide Mineral Dealer Licences (MDLs) to the agencies selected through a transparent procedure by the DLSC.
- iii. The number and location in the districts shall be decided by the DLSC as per the requirement of the district.
- iv. The licensee has to lift the sand from the earmarked sand reach and stock it at a designated place as mentioned in the licence and supply the sand to the retail customers at a maximum cost fixed by the DLSC, which includes transportation, operation and maintenance of stockyards, etc.
- v. These MDLs shall only supply to the retail consumers and operate up to the maximum quantity fixed by the DLSC.
- vi. DLSC shall establish appropriate monitoring mechanism including maintenance of CCTV Cameras and the concerned DMGOs shall monitor the functioning of the stockyard as per the direction of DLSC.
- vii. Bulk consumers of these districts shall source the sand directly from the reaches / de-siltation points.

**F. Vigilance & Monitoring**

- i. DLSC shall ensure to
  - a. Establish CCTV Cameras at sand supply points.
  - b. Co-ordinate with Police Command & Control to monitor the transportation of sand through the CCTV monitoring system.
  - c. Establish sufficient check posts in co-ordination with Police on routes to prevent inter-state transport of sand.
  - d. Any vehicle transporting sand without registration, banner and GPS shall be blacklisted.
  - e. Any vehicle transporting sand without valid e-transit form/ permit shall be blacklisted and vehicle may be seized for illegal transportation as per procedure.
  - f. Any vehicle used for black marketing of sand to be blacklisted, seized and criminal case to be filed against vehicle driver /owner.
  - g. Initiate stringent action against violators of free sand policy.
- ii. The Government shall also initiate steps to include habitual offenders who involve in black marketing of sand under the Andhra Pradesh Prevention of Dangerous Activities of Boot-Leggings, Dacoits, Drug-Offenders, Goondas, Immoral Traffic Offenders and Land Grabbers Act, 1986, so as to bring these category of offenders into PD Act.
- iii. DMG/ DLSC shall establish and maintain call center and online application for the public to report illegal sand excavation and transportation.

## G. Applicability

- i. These orders are applicable in addition to the orders issued vide G.Os 1<sup>st</sup> to 5<sup>th</sup> read above.
  - ii. In case of any conflict, the guidelines issued herein shall prevail.
7. The Commissioner & Director of Mines and Geology, Government of A.P., shall submit proposals for necessary amendments accordingly to Andhra Pradesh Minor Mineral Concession (APMMC) Rules, 1966.
8. These orders shall come into force with immediate effect.
9. The Commissioner & Director, Mines and Geology, A.P., and all the concerned officers mentioned in the address entries shall take necessary action accordingly in the matter.

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

MUKESH KUMAR MEENA  
PRINCIPAL SECRETARY TO GOVERNMENT (MINES)(F.A.C)

To

The Commissioner & Director, Mines & Geology, A.P,  
Ibrahimpattanam, NTR District.

The VC&MD, APMDCLtd., APMDCLtd., Kanuru, Vijayawada.

All the District Collectors in the State of A.P.

All the members of District Level Sand Committees (through  
C&DM&G)

Copy to:

The Finance Dept., A. P. Secretariat.

The Revenue Dept., A. P. Secretariat

The Water Resources Dept., A. P. Secretariat.

The EFS&T Dept., A.P. Secretariat.

The PR&RD Department, A. P. Secretariat.

The Home Department, A. P. Secretariat.

All the Superintendents of Police in the State.

All the District Treasury Officers in the State of A.P.

The Director, Treasuries & Accounts, A.P, Mangalagiri.

The Pay and Accounts Officer, Mangalagiri.

The Accountant General of Andhra Pradesh, Vijayawada.

The P.S. to Prl. Secy to CM.

The P.S. to CS.

The OSD to Minister for M&G and Excise.

The P.S. to Minister for Finance, Planning & Legislative Affairs.

The P.S. to Minister for Civil Supplies & Consumer Affairs.

The P.S. to Minister for Transport and Information & public  
Relations.

The P.S. to Prl., Secy to Govt. (Mines).

SF/SC (2486879)

//FORWARDED :: BY ORDER//

SECTION OFFICER