

LOK SABHA DEBATS

LOK SABHA

Thursday, March 11, 1993, Phalguna 20,
1914 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR. SEAKER in the Chair]

Leases For Mining

ORAL ANSWERS TO QUESTIONS

[English]

*221. SHRI GEORGE FERNANDES:
Will the Minister of MINES be pleased to
state:

(a) the number of mining leases granted
to Bihar and Kamataka during each of the
last three years;

(b) whether any applications in this
regard are pending for clearance;

(c) if so, the reasons therefor; and

(d) the steps taken for early clearance of
these applications?

[Translation]

THE MINISTER OF STATE IN THE
MINISTRY OF MINES (SHRI BALRAM
SINGH YADAV): (a) to (d). A statement is
laid on the Table of the House.

STATEMENT

(a) and (b). Mining leases are given by

the concerned State Governments. Govern-
ment of Karnataka have reported that the
following leases have been granted by
them:

1990-91	....	18
1991-92	....	25
1992-93 (Feb.93)	....	24

In addition, sixty applications are pend-
ing. Government of Bihar have reported that
the following leases have been granted by
them:

1990-91	....	8
1991-92	....	5
1992-93	....	8

In addition, fourteen applications are
pending.

(c) and (d). As per law, mining applica-
tions are received and processed by the
State Governments. The present position
with respect to these is, therefore, being
ascertained from them.

SHRI GEORGE FERNANDES: Mr.
Speaker, Sir, the situation at present and the
one when I had submitted this question are
entirely different, therefore, the question
Which I would like to ask the Minister is
connected with the new policy regarding

mining lease, just announced by him. I would like to draw the attention of the hon. Minister to the last sentence of the policy, which he has just announced:

[English]

"The success of the national mineral policy will depend largely on national consensus to fulfil its underlying principles and objectives."

[Translation]

Do you think that by allowing the multinationals to exploit the 50 per cent or more to total mineral wealth of the country, you are helping the nation to make progress?

SHRI BALRAM SINGH YADAV: Sir, last year the Government of India had made extensive changes in its Industrial and Trade Policy in order to strengthen our economy according to the changing times. We have to carry forward the activities of Ministry of Mines as per that Industrial and Trade Policy. Therefore, a need was felt to bring this Mining Policy. I would like to tell the hon. Member and he might agree with is that the prevailing circumstances in the country do not permit us to carry the Mining activities by creating more Public Sector Undertakings.

There are number of Minerals and Metals which are to be imported to meet the requirements of the country and it involves loss of foreign exchange. Today, it is the need of the hour to invite latest foreign technology in the country in order to supplement the supply of metals which are in shortage and if we perform better in this field then we will be able to save foreign exchange for the country.

SHRI GEORGE FERNANDES: I do not agree with the views of the Minister and want to know that by not amending the Industrial Policy Resolution, 1956, passed in this House only, what right the Government has to entrust the national wealth to the

foreign Multinationals, I want its reply from the Minister? I also want to know, as Bihar and Karnataka issues have come up here, whether it is not true that by acquiring the licence of the forests Tata as well as Coal India are illegally mining the mineral wealth and not paying any royalty which is due to Bihar? You have said that it is a state subject but the hon. Minister should know that all matter relating to mining and the law pertaining to it comes under the purview of Government of India. So, the responsibility in this regard lies with Government of India. Would you care to own responsibility and see that Bihar gets the royalty due to it for all these years?

SHRI BALRAM SINGH YADAV: Sir, I do not agree with the hon. Member that the responsibility of mines and its leases is lies solely with the Central Government. The Minerals and MMRD Act have been categorized. Sir, the minor minerals come under the State Governments jurisdiction and leasing etc. of Major Minerals is also dealt by the State Governments. Only in the case of scheduled minerals amongst the Major Minerals, come for the prior approval of the Government of India. So far as the question of responsibility of Government of India is concerned, it is alert and cautions and we will make utmost efforts to do our duty in this regard.

SHRI GEORGE FERNANDES: It is not a reply to my question, I have asked that unless this House makes amendment in the Industrial Policy Resolution of 1956, on what basis you can bring a new policy in this regard. Schedule of that policy deals with mining, you cannot entrust it to a foreigner.

SHRI BALRAM SINGH YADAV: Sir, we have brought it here in accordance with the latest amendments by the Government in the Industrial and State Policy.

SHRI BHERU LAL MEENA: Mr. Speaker, Sir, I want to ask one question regarding the marble mines situated in the Adivasi region. On the one hand you dis-

suade Adivasis from mining as well as cutting the trees in the Jungle, but on the other hand you give lease to rich person who blast in their agricultural land to get marble and cause harm to their pet animals and damage their houses. When we go to the department, they do not listen anything. They simply tell us to go to the police, I myself had been to the department. I mean to say that on one hand Adivasis are asked not to go in the forest and on the other hand they give permit to the affluent ones and thus create problems for Adivasis.

I want that department should not give leases for the land where houses get damaged, which may lead to their further harassment. My second question is that some of the Adivasis are good at mining, they even applied for a lease, which was denied to them and they were compelled to make an appeal. Such injustice should not be meted out to them and lease for their land should not be granted by force.

SHRI BALRAM SINGH YADAV: Sir, this subject concerns the State Government because marble comes under minor minerals. The suggestions given by the hon. Member are very good and if he wishes, he can give them in writing. I can forward them to the State Government.

[[*English*]]

SHRI MUMTAZ ANSARI: Mr. Speaker, it has been pointed out in the statement also that 74 applications are pending from Bihar and they are waiting for clearance from the Central Government. I would like to ask the hon. Minister what are the procedures for the finalisation of the lease.

At the same time, there are many Mineral Corporation Boards which have also applied for the lease of the mines in coal areas in the southern part of Bihar where mining activities are on a mass scale. There are graphites and granites and upto now they have not been used by any authority or Corporation or Company.

So. I would like to suggest that all these graphites and granites should be leased out to private persons.

I would like to know whether the government is contemplating or thinking on this point or not.

[*Translation*]

SHRI BALRAM SINGH YADAV: Sir, I think hon. Member has not seen my reply attentively. The number of pending cases in Bihar is not 74 but as per the report received from the Bihar Government this number is only 14 and this case is pending with Bihar Government not with the centre. I will otherwise consider your question.

[*English*]

DR. KRUPASINDHU BHOI: The hon. Minister, in his reply to the original question of Shri George Fernandes mentioned about major minerals. Under the Schedule to the MMRD Act, major mineral is actually non-strategic mineral.

So, for non-strategic minerals, the State Government is competent enough to give lease. But the Minister has not answered correctly, or else, the bureaucrats should have given him the wrong information. For strategic minerals, the application processed by the State Government has to come to the Government of India. Or else, it cannot be granted. So, basing on this, I would like to know from the hon. Minister the position which he has elaborated in his answer. A question has been asked by Shri Mumtaz Ansari about the coal mines. That pertains purely to the Department of Coal. Without the permission of the Coal Ministry, the grant of lease of minor minerals or non-strategic minerals cannot be given like graphite and other quartz varieties. I want to know from the hon. Minister what is the actual position before this policy was announced and what is the present position of clearance from the Govt. of India.

[*Translation*]

SHRI BALRAM SINGH YADAV: Mr. Speaker, Sir, as I have already made it clear that in case of minor minerals the right of granting lease solely vests with the State Governments and in case of major minerals, which also include some scheduled minerals, as it has been stated..(Interruptions)

Iron are is one of them but in case of coal it is Ministry of Coal, which grants lease. In case of scheduled minerals, lease is granted by the State Governments but it needs prior approval of Government of India and in case of other major minerals, lease is granted at the level of State Government.

[*English*]

SHRI V. DHANANJAYA KUMAR: Sir, in Kamataka, the then Chief Minister Mr. Bengarappa had to step down on one of the major charges that thousands and thousands of hectares of Government land were given on lease for granite stone quarries and the Government was not getting any money. The private parties have been earning crores and crores of rupees. On the other hand, we have got one of the best God Mines in Kamataka. It is in the Public Sector. The Government is thinking of closing down the Gold Mines, The Bharat Gold Mines Limited is on the verge of closure. The Government is not interested in carrying on the gold-mining operations at Kolar. So, my question is: will the Government of India come out with a clear-cut policy so that whenever quarrying of the minerals, at least the major minerals, is permitted, the major portion of the benefit comes to the State coffers. I want the reaction of the Government.

[*Translation*]

SHRI BALRAM SINGH YADAV: Sir, the hon. Member has said that Government of India is closing down the B.G.M.L. and is

not serious about its revival. But it is not so. The Government of India has every sympathy towards the thousands of workers working there. But the actual problem is this that Bharat Gold Mines is incurring losses for the last many years and the current market price of gold is Rs. 4000 per 10 grams whereas the production cost of the Gold from these mines comes to Rs. 8000 per 10 grams. Considering these aspect this issue has been considered seriously and there is no other way out but to close this mine. That is why this issue was referred to BIFR which is considering this matter with a view to ensure that this mines continues to operate. Even suggestions have been solicited from our Ministry and we are giving suggestion to make it viable. Recently Mining Policy has been liberalised to certain extent under which we may be able to import foreign technology and technocrats who can help us in this field. So, all these aspects are under consideration and Government of India is vigilant about its duty as well as the welfare of the labourers. We have also made a provision for voluntary retirement package in it and some people are taking advantage of it. This way the Government of India is fully alert in this case.

[*English*]

SHRI HARISH NARAYAN PRABHA ZANTYA: I would like to know from the hon. Minister that with the announcement of the new revised mineral-policy whether a lot of foreign investments are expected. Has the Government received many offers for investment in minerals? If so, the details may be given state-wise and mineral-wise clearly.

[*Translation*]

SHRI BALRAM SINGH YADAV: Sir, so far as I know, about the question asked by the Hon. Member, as have not yet received any specific proposal. Although, N.R.I.s and foreign companies have started making enquiries. They are contacting our Ministry. I feel that they are interested in it. I have every hope that we will have good results of the liberalisation which we are going to make.