

**GOVERNMENT OF INDIA  
MINES  
LOK SABHA**

UNSTARRED QUESTION NO:3022  
ANSWERED ON:16.03.2010  
RECOMMENDATIONS FOR MINING LEASE  
Mahant Dr. Charan Das

**Will the Minister of MINES be pleased to state:**

- (a) Whether any complaints have been received by the Government about the incorrect recommendations made by the State Governments including Jharkhand for granting mining lease;
- (b) If so, the details thereof, State-wise along with the action taken in this regard; and
- (c) The corrective measures being taken by the Government for granting mining lease to the deserving applicants?

**Answer**

THE MINISTER OF MINES AND MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI B.K. HANDIQUE)

(a) to (c): A complaint was received in the Ministry of Mines through the Central Vigilance Commission (CVC) on 20-05-2008 against Shri Madhu Koda, the then Chief Minister of Jharkhand for recommending grant of Mining Lease (ML) for iron ore in favour of M/s M/s Maa Ispat Auto Cast (P) LTd., Jamshedpur. On examination, it was found that no such proposal had been received in the Ministry from the Government of Jharkhand. The CVC was accordingly informed on 01-01-2009.

Besides, reports of this nature have recently come to the notice of the Ministry of Mines. However, specific details thereof have not been reported to the Ministry.

The State Governments are the owners of the minerals located within their respective boundaries. They grant the mineral concessions [Reconnaissance Permit (RP), Prospecting Licence(PL) and Mining Lease (ML)] under the provisions of the Mines and Minerals (Development and Regulation) (MMDR) Act, 1957. Prior approval of the Central Government is required under Section 5 (1) of the Act for grant of RP, PL and ML in respect of the minerals specified in Parts 'B' and 'C' of the First Schedule to the Act. Subsequent to the prior approval of the Central Government, mining leases etc. are executed by the State Governments with the mining agencies after they obtain all statutory clearances and approvals.

The Ministry of Mines is conscious of the need to have a transparent and efficient system for processing the mineral concession cases. In pursuance of the National Mineral Policy, 2008, which inter alia enunciates adoption of quick and transparent procedures for grant of mineral concessions, the Ministry has taken several steps in this direction, as mentioned below:

(1) A Central Coordination-cum-Empowered Committee has been constituted in the Ministry of Mines on 04-03-2009 to monitor and minimize delays in grant of approvals for mineral concessions. The Committee consists of the Central Ministries/Departments concerned and the Secretaries in charge of Mining & Geology in the States.

(2) The first meeting of the Committee was held in the Ministry on 24-07-2009. One of the main decisions taken in the first meeting was that a Coordination-cum-Empowered Committee would be constituted in each State under the chairmanship of Chief Secretary or Additional Chief Secretary/Principal Secretary of the Mining/Industries Department. The second meeting of the Committee was held on 22-12-2009. The Committee reviewed various important aspects relating to mineral concessions viz., constitution of State level Empowered Committees, measures to tackle illegal mining, adoption of model State Mineral Policies, minimizing delays at various levels including delay in forest clearance, reducing delays in execution of lease/licence subsequent to prior approval of the Central Government, proper utilization of periphery development funds, and adoption of policy on 'special reasons' for invoking section 11 (5) of the MMDR Act, 1957 while considering a later applicant. The Committee took decisions on these aspects aimed at improving the mineral concession system. The State Governments have been advised to similarly constitute Coordination Committees at the State level.

(3) The website of the Ministry ([www.mines.nic.in](http://www.mines.nic.in)) provides information on the current status of the applications for mineral concessions. These services are being improved further to track the process from approval for grant to execution of concession agreement.

(4) The Ministry issues guidelines from time to time for streamlining processing of mineral concession proposals.

(5) The Ministry has framed a Model State Mineral Policy and circulated it to all State Governments on 12-10-2009 with the request to finalise and adopt a Mineral Policy as per their priority and requirements.

(6) All instances of corruption and illegal mining practices coming to the notice are taken up with State Governments and followed up expeditiously.