

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

STARRED QUESTION NO:287
ANSWERED ON:30.11.2010
MINERAL CONCESSIONS .
Sule Supriya

Will the Minister of MINES be pleased to state:

- (a) the details of the present norms relating to the concessions granted for mineral prospecting operations in the country;
- (b) whether the Government has any proposal to revise such norms/increase the area permissible for mineral prospecting;
- (c) if so, the details thereof and the reasons therefor alongwith the time by which action in this regard is likely to be taken;
- (d) whether such move would help in attracting modern technology in the mining sector; and
- (e) if so, the details thereof?

Answer

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

(a) to (e) : A statement is laid on the Table of the House.

STATEMENT REFERRED IN REPLY TO LOK SABHA STARRED QUESTION NO. 287 FOR 30.11.2010 REGARDING MINERAL CONCESSIONS BY SMT SUPRIYA SULE.

(a): As per the Mines and Minerals (Development and Regulation) Act, 1957, and Mineral Concession Rules, 1960, prospecting licences for major minerals (other than coal minerals, oil and natural gas) are granted by the State Governments:-

(i) in case an area is notified, on the basis of assessment of the applicants in terms of criteria including any special knowledge of, or experience in, reconnaissance operations, prospecting operations or mining operations, as the case may be, possessed by the applicant; the financial resources of the applicant; the nature and quality of the technical staff employed or to be employed by the applicant; and the investment which the applicant proposes to make in the mines and in the industry based on the minerals,

(ii) in case an area is not notified, on 'first-in-time' basis, with the provision that the State Government, may, for special reasons to be recorded and with the prior approval of the Central Government in respect of First Schedule minerals, give preference to a later applicant,

(iii) subject to the restriction (unless relaxed with the approval of the Central Government) that the total area held by the licensee for the mineral in the State shall not exceed a total area of twenty five square kilometers in a State, and

(iv) in case of First Schedule minerals, prior approval of the Central Government has been duly obtained,

(b) to (e): The Government has enunciated a National Mineral Policy, 2008, which seeks to attract investment and high technology for prospecting and exploration. The Policy seeks to expedite reconnaissance work for the entire country at the earliest through an open sky policy of non-exclusivity in grant of reconnaissance licence. In order to attract large investments and high technology particularly to locate deep seated minerals, the Policy recommends introduction of a Large Area Prospecting Licence for non-bulk minerals. The Policy further enunciates that areas of operations within each State to be suitably enlarged. A proposal to give legislative effect to the Policy recommendations is under consideration of the Government.