

**GOVERNMENT OF INDIA  
MINES  
LOK SABHA**

UNSTARRED QUESTION NO:2403  
ANSWERED ON:07.12.2012  
EXTRACTION OF EXCESS MINERAL  
Tarai Shri Bibhu Prasad

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

- (a) whether the Government has taken note that various private sector companies that were allotted mining blocks were extracting iron ore and manganese ore more than the permissible limit set by the authorities;
- (b) if so, the details thereof indicating name of such companies and quantity of excess iron ore and manganese ore extracted by them during the last three years;
- (c) whether the Government has made any assessment regarding the loss to public exchequer due to these excess extractions;
- (d) if so, the details thereof; and
- (e) the action taken by the Government against these erring companies and the steps taken/proposed to be taken to recover the losses?

**Answer**

THE MINISTER OF MINES (SHRI DINSHA PATEL)

(a): Instances of ore production in excess of the tentative annual production quantity indicated in the Mining Plan/ Scheme of mining come to the notice of Indian Bureau of Mines (IBM) during inspections. In terms of section 5(2)(b) of the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act), a mining plan is essential for grant of mining lease for major minerals. The mining plan has details on the tentative scheme of mining and annual programme for excavation for a five year period, apart from other essential details on mineral reserves, geology, lithology, type of mining, rehabilitation and restoration of mining area etc. The IBM has been allowing deviation upto 20% of the tentative annual production indicated in the approved mining plan/scheme of mining. This relaxation is subject to the condition that the cumulative effect of deviation should not distort the approved ore to overburden/waste ratio and result in significant shortfall in development work. Excess ore production, which is more than 20% of the tentative annual production quantity indicated in the mining plan, is considered as a contravention of the provisions of Mineral Conservation and Development Rules, 1988 (MCDR).

(b): List of the leaseholders who have produced ore in excess of 20% of the tentative production quantity in the approved Mining Plan/ Scheme of Mining by the IBM from the year 2009-10 to 2011-12 is at Annexure.

(c) and (d): Section 9 of the MMDR Act provides that every leaseholder shall pay royalty to the State Governments for minerals removed or consumed from the lease area. State Governments collect royalty for the minerals removed or consumed from the lease area, including royalty on any reported excess ore produced.

(e) Details of action taken by the IBM against the leaseholders who have produced iron ore and manganese ore in excess of 20% of the tentative production quantity in the approved Mining Plan/ Scheme of Mining from the year 2009-10 to 2011-12 is as follows.

Year	No of Cases of excess production	Violation -cum-show iron cause	Mining Plans Rectified	Mining Operations Suspended	Termination recommended to State
------	----------------------------------	--------------------------------	------------------------	-----------------------------	----------------------------------

and manganese ores	Issued	Government
--------------------	--------	------------

2009-10	29	7	10	11	1
---------	----	---	----	----	---

2010-11	23	9	8	6	-
---------	----	---	---	---	---

