

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:965
ANSWERED ON:02.03.2015
ALLOCATION OF MINES THROUGH AUCTION
Hansdak Shri Vijay Kumar;Sreeramulu Shri B.

Will the Minister of MINES be pleased to state:

- (a) whether the Government has assessed the gains/losses on account of the existing policy of allocation of mineral blocks through other than competitive bidding process;
- (b) if so, the details and the outcome thereof;
- (c) whether the Government has issued an ordinance to introduce competitive bidding for allocation of various mineral mines in the country;
- (d) if so, the details thereof;
- (e) whether the Government has received any bidding application for allocation of various mineral mines; and
- (f) if so, the details thereof along with the response of the Government thereto, mineral-wise?

Answer

THE MINISTER OF STATE FOR STEEL AND MINES (SHRI VISHNU DEO SAI)

(a) and (b): No, Madam. Government has not made any assessment in monetary terms of the gains/losses on account of the policy of allocation of mineral blocks through other than competitive bidding process.

(c) and (d): Yes Madam. The Government has issued the Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015, on 12th January, 2015 to introduce competitive bidding for allocation of various minerals mines in the country.

Some of the important provisions of the amending Ordinance are: (i) grant of mineral concessions through auction by competitive bidding; (ii) extension of validity of lease period of existing leases; (iii) establishment of District Mineral Foundation for the benefit of persons and areas affected by mining operations; (iv) establishment of National Mineral Exploration Trust for the purposes of regional and detailed exploration; (v) simplification and removal of delays in the method of grant of mineral concessions; and (vi) stronger provisions for checking illegal mining.

(e) and (f): As per the provisions of the Ordinance, state governments shall notify areas for grant of mining leases along with the terms and conditions subject to which the mining leases will be granted. Further, the State government shall select, through auction by competitive bidding, including e-auction, an applicant for grant of the mining lease.

Details in this regard are to be maintained by the state governments.