

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO.189
TO BE ANSWERED ON 02ND FEBRUARY, 2017
“Extension of Non-captive Leases”

189. SHRIMATI VANAROJA R:

Will the Minister of MINES be pleased to state:

- (a) whether Federation of India Mineral Industries has requested that non-captive leases should be extended till March 31, 2030 in line with the existing captive leases;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the action taken/to be taken by the government thereon?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, COAL, NEW & RENEWABLE ENERGY AND MINES (SHRI PIYUSH GOYAL)

(a) to (c): Federation of Indian Mineral Industries (**FIMI**) has raised the issue for extending the tenure of the non-captive mining leases till March, 2030.

The Mines and Minerals (Development and Regulation) (**MMDR**) Act, 1957, was amended through the MMDR Amendment Act, 2015 which is deemed to have come into force with effect from 12.1.2015. As per sub-section (6) of section 8A, the period of lease granted before the date of commencement of the MMDR Amendment Act, 2015, where mineral is used for other than captive purpose, shall be extended and be deemed to have been extended up to a period ending on the 31st March, 2020 with effect from the date of expiry of the period of renewal last made or till the completion of renewal period, if any, or a period of fifty years from the date of grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with.

Through amendment in the MMDR Act, 1957, Government has taken steps to foster concession regime based on transparent and non-discriminatory allocation of mineral concessions. Sunset clauses with specific end dates have been provided to ensure stability as well as commitment to increasingly bring more and more concessions under transparent regime of auctions. Hence, Government is not contemplating any changes in the MMDR Act, 1957.
