

GOVERNMENT OF INDIA  
MINISTRY OF MINES  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 2870**  
ANSWERED ON 10.07.2019

**MINERAL CONCESSION RULES**

†2870. SHRI KRUPAL BALAJI TUMANE:

Will the Minister of MINES be pleased to state:

- (a) whether the salient features of the Mineral Concession Rules;
- (b) whether the expansion of mines have been limited by the amendment in license renewal in mineral concession rules and if so, the details thereof;
- (c) whether the Government gives permission to work in such mines which are more than 40 years old;
- (d) if so, whether the production of steel has decreased especially in Odisha and Jharkhand due to the notification which affected iron ore production and supply thereof; and
- (e) if so, the details thereof and the number of mines operating under 'Maanit Vistaar'?

**ANSWER**

THE MINISTER OF MINES, COAL AND PARLIAMENTARY AFFAIRS  
(SHRI PRALHAD JOSHI)

(a): The MMDR Act, 1957 has been amended through the MMDR Amendment Act, 2015. The Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016 (**MOAHCEMC Rules, 2016**) have been framed under the Mines and Minerals (Development and Regulation) Act, 1957 (**MMDR Act, 1957**) and published in the Official Gazette vide notification No. G.S.R. 279 (E) dated 04.03.2016.

The MOAHCEMC Rules, 2016 prescribe the procedures for regulating the grant of mineral concessions and for purposes connected therewith. Some of the salient features/provisions of these rules are as following:

- (i) Rights of existing holders of mineral concessions and ;
- (ii) Mineral concessions to be granted through auction only;
- (iii) Preparation of the mining plan and system of certification;
- (iv) Expiry of a mining lease and auction thereafter;
- (v) Easy transferability of concessions obtained through auctions;
- (vi) Powers to Central Government to intervene even where State Governments do not pass orders within prescribed time lines; and
- (vii) Stricter penal provisions.

(b) & (c): Section 8A has been inserted in the MMDR Act through the MMDR Amendment Act, 2015. Section 8A(2) of the MMDR Act, 1957 provides that all mining lease shall be granted for the period of fifty years on and from the date of commencement of the MMDR Amendment Act 2015.

With the enactment of MMDR Amendment Act, 2015, the concept of renewal of mining lease has been done away with for minerals other than those specified in part A and part B of First Schedule. Section 8A(4) of the MMDR Act, 1957 provides that on the expiry of the lease period, the lease shall be put up for auction as per the procedure specified in this Act. In line with the provisions of MMDR Amendment Act, 2015, the MOAHCEMC Rules, 2016 provides provisions for expiry of mining lease.

Further, Section 8(A) (5) & (6) provide that the period of mining leases granted before the date of commencement of the MMDR Amendment Act, 2015 shall be extended and be deemed to have been extended upto a period ending on 31st March, 2030 (where mineral used for captive purpose)/31st March, 2020 (where mineral is used for other than captive purpose) with effect from the date of expiry of the period of renewal last made or till the completion of the renewal period if any or a period of 50 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.

(d) & (e): No such information related to production of steel is available with Ministry of Mines. However, as per information made available by Indian Bureau of Mines (**IBM**), a sub-ordinate office under the administrative control of Ministry of Mines, the production of iron ore in Jharkhand and Odisha has increased during 2016-17 to 2018-19. The details in this regard are given below:

Year	Jharkhand	Odisha	India
2016-17	21226	99614	194584
2017-18	21848	102177	200955
2018-19	23433	113055	206446

(Qty in THT)

Further, it is stated that extensions of tenure of mining leases are done by the State Governments in accordance with the provisions of section 8A of the MMDR Act, 1957.

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