

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 1208
ANSWERED ON 14.12.2022

PRODUCTION OF IRON

†1208.SHRI BALAK NATH:
DR. MANOJ RAJORIA:

Will the Minister of MINES be pleased to state:

- (a) whether the Government has limited the expansion of mines by amending the renewal of licences rule in the Mineral Concession Rules in the country including Rajasthan;
- (b) if so, the reasons therefor;
- (c) whether the notification has led to a decline in production of steel in the country specially in Rajasthan which has affected the production and supply of iron ore; and
- (d) if so, the details thereof?

ANSWER

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

(a) & (b): No, Sir. The Government has not limited the expansion of mines by amending the renewal of licences rule in the Mineral Concession Rules in the country including Rajasthan. Rather, a uniform lease period of 50 years has been prescribed to ensure certainty in mining lease period.

The Mines and Minerals (Development and Regulation) Act, 1957 [MMDR Act, 1957] was amended with effect from 12.01.2015. Through the said amendment, auction regime was introduced for grant of mineral concessions by the respective State Governments. As per Section 8A of MMDR Act, 1957, on and from the date of commencement of the MMDR Amendment Act, 2015 (w.e.f. 12.01.2015), all mining lease shall be granted for a period of 50 years; all mining leases granted before commencement of ibid amendment Act shall be deemed to have been granted for the period of 50 years; on the expiry of the lease period, the lease shall be put for auction as per the procedure specified under the MMDR Act. Before amendment to the Act in 2015, mining lease were granted for a maximum period of 30 years, with the provision for further renewal; which was discretionary, resulting in uncertainty for the lease holder.

(c) & (d): The crude steel production grew at 4.4% annually (CAGR) from 88.97 MT in 2014-15 to 120.29 MT in 2021-22. Further, as per the information provided by Indian Bureau of Mines, the domestic production of iron ore is sufficient to meet the current demand/requirement by domestic iron & steel industry.

The production data of iron ore for the country for the last seven years is given below:

(in Million Tonnes)

Year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22 (Provisional)
Production	129.32	158.11	194.58	201.42	206.49	244.08	205.04	253.97

The production data of iron ore for Rajasthan for the last three years is given below:

(in Million Tonnes)

Year	2019-20	2020-21	2021-22 (Provisional)
Production	1.01	1.08	1.23
